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BRIEFS

EGYPT REDUCES FUEL PRICES—The government of Egypt informed Energy Minister Yitzhaq Moda'i at noon today that it decided to reduce by 3 dollars per barrel the price of all sorts of fuel being sold to Israel. Our correspondent Gadi Sukenik reports that the reduction will be retroactive to 1 July. This is the third reduction in the Egyptian oil price within 3 months. Israel recently approached the Egyptians, noting it was their biggest client and explained that in view of the surplus situation in the world market and the reduction of prices, the Egyptian oil should be again made cheaper. Energy Ministry sources praised to our correspondent the positive response and the constant Egyptian readiness in reaction to Israel's demands. Israel is purchasing from Egypt about one quarter of its fuel consumption, 2 million tons annually. [Text] [TA171526 Jerusalem Domestic Service in Hebrew 1500 GMT 17 Jul 81]

CSO: 4323/28

ANALYSIS OF FRENCH ATTITUDES ON ARAB ISSUES

London 8 DAYS in English Vol 3 No 28, 18 Jul 81 pp 16-17

[Text]

IT LOOKS as if the umbilical cord between France and Tunisia won't be severed as a result of the coming to power of the new socialist government in France. French Foreign Minister Claude Cheysaon chose Tunisia for his first visit to an Arab country, and sought to dispel whatever doubts Tunisia might have about the future of its privileged relations with France. 'France is Tunisia's first client and supplier,' be insisted.

Cheysson can claim links with Tunisia which go back further than those of any other serving diplomat. In July 1954, with Mendès-France, he participated in the negotiations which led to Tunisia's independence. Twenty-seven years later, in July 1981, Tunisian President Bourguiba decorated Claude Cheysson with the Grand Sash of the Order of the Republic, putting a seal on the continuation of the special Tunisian-French relationship.

Cheysson, in Tunis at the invitation of Foreign Minister Beji Caid Essebsi, visited Bourguiba's home town and summer retreat of Monastir, where Economy Minister Abdeleziz Lasram and Planning and Finance Minister Mansour Moalla complained of the direct threat to Tunisian exporters posed by the enlargement of the EEC. Talks with Premier Mohammed Mzsii indicated that Tunisia will remain one of France's favourites. The press communiqué spoke of a common desire 'for close cooperation in all domains' as well as the intensification of the financial and industrial cooperation'. French Minister of Defence Hermu is due in Tunis at the end of August and the Tunisian-French mixed commission will sit in October. President Bourguiba also invited President Mitterrand to Tunis.

Unlike those of many diplomats, Cheysson's statements come across as clear and direct. He told journalists that France is ready to supply its nuclear power knowhow to any country of the Third World, on condition that guarantees of peaceful usage are made. He gave the socialists' view that the Middle East crisis could not be solved without Egypt, and that Camp David was 'a step towards peace'. He said Jerusalem's international status, where three cultures and three civilisations converge, 'cannot be modified unilaterally but only in the global settlement of the Middle East problem.' He also mentioned that France was happy with King Hassan's initiative of a referendum on the Western Sahara.

The PLO, however, remains unhappy about France's Middle East policy. An interview with Claude Cheysson published last weekend in the Lebanese newspaper Al Nahar has met a gloomy response from Palestinian officials in Beirut.

The head of the PLO's political department, Farouk Kaddoumi, remained in Paris after talks with Cheysson last Saturday, but there have as yet been no signs that his arguments have had any impact on the new socialist government's Middle East policy.

In the interview, Cheysson elaborated on recent statements by President Mitterrand indicating a preference for a 'step by step' approach to settling the Middle East crisis. The new French position involves acceptance of the Egyptian-Israeli peace, demands for guarantees of Israel's security, and the creation of a Palestinian 'homeland'. Cheysson said he understood the Palestinian people, 'who see their right to existence and a state as a natural, basic and recognised right which must be realised before anything else.'

However, he added that many similar issues remain to be decided, such as an Israell withdrawal from the territories occupied in 1967, guarantees for Israel, and Jerusalem's status, and it was not possible to determine yet in what order they should be approached. He said the term 'step by step' should not be dismissed just because of its associations with former US Secretary of State Henry Kissinger.

More controversial still is the notion advanced by President Mitterrand, that issues such as the status and location of the Palestinian 'homeland' should be worked out in direct negotiations between the Israelis and the Palestinians. Asked who was meant by 'the Palestinians', Cheysson said that the issue was blurred. The PLO was a representative of the Palestinian people, he said, but there were also other such representatives, such as the West Bank mayors. He denied that the mayors' proclaimed choice of the PLO as their sole legitimate representative affected his assessment. He felt that these questions would be the focus of his discussions with Kaddoumi. (The interview was conducted before the PLO official's arrival.)

Before leaving Belrut, Kaddoumi announced that he was hopeful the PLO representative in Paris would secure full diplomatic status as a result of his talks. and that France would recognise the Palestinians' right to an independent state. Neither of these goals now seems likely in the light of Mitterrand's position at the recent European summit in Luxembourg. The French president showed himself to be concerned above all to steer the European states on a course more in keeping with the American Camp David policy. Palestinian officials see this as particularly ominous.

coming as it does after separate discussions between Mitterrand and King Khaled of Saudi Arabia and Crown Prince Hassan of Jordan — both Arab states ostensibly are opposed to Camp David.

Those talks, however, occurred before the Israeli elections. Both Cheysson and the French president had indicated that Jordan and Saudi Arabia would be more accommodating to a Camp David-style settlement if Israel could make some small concessions on the status of Jerusalem. While Mitterrand may have felt that he had a good chance of influencing his fellow Socialist International member Shimon Peres on this point, there seems little hope of making any impact on Menachem Begin.

CSO: 4500/25

JAPANESE ECONOMIC ACTIVITY IN NORTH AFRICA, EGYPT

London 8 DAYS in English Vol 3 No 28, 18 Jul 81 pp 36-37

[Article by Howard Schissel]

[Text] JAPANESE industrialists, with strong government backing, are stepping up efforts to expand their activities in the growing North African markets. Over the past decade, the Japanese have made a lot of headway in state-controlled economies such as Algeria and Libya, but the going has been tougher in more liberally-orienzed economies such as Tunisia, Morocco and Egypt. The Arab states that make up Africa's northern fringe still represent only a relatively small proportion of Japan's overseas commerce, accounting for 1.3 per cent of total exports and a mere 0.7 per cent of imports.

Hydrocarbons, as could be expected, are the premier Japanese import from this region. But because of the great distances involved, Japanese purchases of sweet North African crude are very low when compared with oil imports from the Gulf. Saudi Arabia now supplies Japan with over 25 per cent of its oil.

The profile of Japanese exports to North Africa has altered considerably in the past 10 years. They have branched out from consumer goods to heavy capital equipment and the provision of expertise. Food and textile products have diminished in importance, while sales of transport equipment, telecommunications gear, electrical equipment and motor vehicles have grown significantly.

Following last spring's visit to Algiers of a high-powered delegation from the Japanese employers' association, the Keideran, Tokyo was able to supply more than \$2bn in soft loans to help finance Japanese ventures during Algeria's current

Five Year Plan (1980-1984). Since 1974, trade between Japan and Algeria has taken a great leap forward, increasing fifteen-fold.

In 1980, bilateral trade reached almost \$1bn for the first time, with Japan importing \$451m worth of products, 80 per cent of which were condensates. The Algerians, for their part, bought \$452m worth of goods made in Japan, notably chemicals, machine tools, steel, synthetic fibres and turnkey plants. More than 2,000 Japanese technicians currently live and work in Algeria.

The Japanese have benefited in their rapid penetration of the Algerian market from their government's firm desire to diversify its range of economic partners. Japanese firms have played an important role in Algeria's rapid drive to build up a heavy industrial sector. Nippon Steel, for example, has been providing technical assistance and expertise for the el Hadjar steelworks at Annaba since 1977, and Japanese firms are expected to win the contract for the 2m-tonne-yearly integrated steelworks to be built at Jejel.

Algeria's hydrocarbon sector has also provided Japanese business with considerable opportunities. C. Itoh and the Japanese Gasoline Corporation were responsible for the Hassi Rmel gas liquefaction plant, and Kobe Steel and Marubeni carried off a \$272m liquefied petroleum gas complex, also at Hassi Rmel.

Libya has been another successful area for Japanese business in recent years. In 1980 Tokyo outstripped Paris to become Tripoli's third largest commercial partner. Japan's strategy, again, has been to obtain a foothold and a good reputation on the local

market by selling high-quality consumer goods and then moving into industry to

supply capital equipment.

Libya is considered by most Japanese firms as their most promising market in North Africa. Like Algeria, the Libvans desire to diversify their trading partners, and the Japanese can furnish, at competitive prices, the materials to build their heavy industrial base. Kawasaki Heavy Industries, for instance, recently won a \$181m deal to build a cement works at Zlitan, following in the steps of Mitsubishi, which is working on a similar project at Darnah.

The Egyptian market has proved a much tougher nut to crack for the Japanese. They have come up against the well-entrenched interests of Egypt's traditional economic partners like Britain and the US, so well as the recent commercial pushes of West Germany and France. A prime example of Tokyo's difficulties is the fact that exports of Japanese consumer goods to Egypt have hardly risen over the 1977-1980 period. One possible reason is the cautious credit policy applied to the Egyptian market by private and public Japanese financial institutions. Japan ranks third, behind the US and West Germany, as an official aid contributor.

By far Japan's greatest participation in the modernisation of Egypt's infrastructure has been the dredging and widening of the Suez Canal. This is a logical move, as it affects not only Japan's relations with Cairo, but also its trade lifeline with southern Europe and the rest of North Africa. Japan's economic presence in Egypt is boosted by its regional economic interests; many firms, including Mitsul, Sumitomo and C. Itoh, have established regional headquarters in Cairo.

Morocco has posed an even more intractable problem for Japan's usually ingenious corporations. Among the main reasons why the Japanese showing in the kingdom has been so meagre are the continuing close ties between Paris and Rabat and the way that Prench firms have entrenched themselves solidly. What is more, the current doldrums in the Moroccan economy and stiff import regulations hardly encourage market penetration by a newcomer.

Tokyo's principal imports from Morocco are fish, fish meal and rock phosphate to supply its fertiliser industry. The lack of an oil industry in Morocco has deprived the Japanese of one of their favourite conduits into new markets. Nonetheless, Japanese firms are usually present when large contracts are tendered, bidding for industrial projects, especially railway modernisation, telecommunications, motor vehicles and metallurgy. The Tokyo government has backed up these efforts by offering attractive soft loan packages. So far, however, the results have not lived up to expectations.

The Tunisian market is very restricted in comparison with those of the large North African nations, and French commercial dominance again presents a etern bulwark against the ambitions of Japanese

companies.

CSO: 4500/25

LONDON MAGAZINE INTERVIEWS FATAH'S ABU IYAD

PM301344 London AL-HAWADITH in Arabic 24 Jul 81 pp 14-18

Interview granted by Salah Khalaf, alias Abu Iyad, Fatah movement central committee member, to Rarid al-Khatib-date and place not specified.)

[Excerpse] AL-HAWADITH: Lebanon has submitted to the Arab followup committee a working paper which according to the official text released recently calls for the implementation of the agreements concluded with the resistance regarding southern Lebanon. How far are you ready to implement these agreements?

Abu Iyad: Since 1975, the year of the civil war, the implementation of the agreements concluded with the PLO has been no problem despite all the attempts by the media to portray it as such even under the worst circumstances. Several parties that have nothing to do with the Cairo agreement have entered the battlefield in London including the "National Movement," the "Amal" organization and other small organizations which all carry arms because the war affects them all.

With regard to the Cairo agreement and the other agreements between us and the Lebanese state, the Lebanese state has shown that it is unable to implement many matters concerning the Lebanese themselves. For example, the question of controlling the city of Juniyah and its port and all the public utilities in the eastern sector of Beirut. The same can be said of the western sector. There are wast areas in the south where the Lebanese authorities have no control. The reason being the question of the Lebanese army on which the Lebanese still disagree. They disagree over its structure and command. Some of its officers who took part in the war were promoted instead of punished.

Therefore, it is inappropriate and illogical to talk about implementing the agreements at this time.

We have told official Lebanese and Syrian circles that we are prepared to implement the agreements when there is a national accord at all political levels and when an "effective government" comes to power. A government that is capable and firm with all parties.

We have never interfered in the question of Lebanese accord, and all we hope is that the question of implementing the agreements [between the resistance and the

government] is not be given priority over the question of achieving Lebanese national accord, for that would be asking for the impossible. But when accord is achieved and an "effective government" representing all those who took part in the war is formed, we will be willing to implement the agreements.

AL-HAWADITH: [Former Lebanese prime minister] Sa'ib Salam colled for a new agreement to be concluded with the resistance in lieu of the Cairo agreement. How far are you ready to do this:

Abu Iyad: The issue in my view is not one of new or old agreements. The Cairo agreement is an agreement on generalities. For this reason we later concluded the well-known "Helkart" agreement, which dealt with details. A new agreement on generalities could be concluded that would give the resistance 100 points and take away 50. But such an agreement would still need another detailed agreement. Let us conclude a new agreement laying down details for the original one.

It is not a matter of agreements but of confidence between the government and the resistance, which on our part is based on one essential thing. There is no room for compromise on or discussion of our carrying of arms to protect our camps in southern Lebanon.

AL-HAWADITH: The Arab followup committee proposed stopping relations between the Phalangist F. ty and Israel. What are in your view the practical conditions for carrying out this proposal?

Abu Iyad: The followup committee should have a long discussion on the question of the Phalangists and Israel with a view to issuing a statement breaking relations between them. The Phalangist Party might issue such a statement signed by Bahisr al-Jummayil and the Phalangist War Council. But it would not be an important statement.

Solving this problem demands that the Phalangist Party adopt a decision to break relations with Israel based on a real and firm belief declared in a public statement which should contain some sort of self-criticism as wll as resolutions confirming that Lebanon is a natural extension of the Arab world and that Lebanon should side with the Arabs, not with anybody else. Shaykh Amin al-Jumayyil expressed such a view in many statements and during personal meetings with me. Many other Phalangists believe in this stand.

This should be followed by practical steps to enable the government to control the ports in conjunction with the Arab Deterrent Force (ADF) while it is stationed in Lebanon, or with other Arab forces as they have been demanding so as to ensure that relations [with Israel] are broken.

AL-HAWADITH: A U.S. State Department spokesman recently expressed his government's satisfaction with the break of relations between the Phalangist Party and Israel. How do you explain this statement?

Abu Iyad: It is a strange thing, and one possible explanation is that the United States intends to make the solution of the Lebanese problem in some way a prelude to solving the Middle East problem in 1982 after the third and final stage of the Israeli withdrawal from Sinai is completed under the Camp David agreements.

The Americans have told the Arab countries that they will not be ready to discuss any solution other than Camp David or any changes to Camp David before the third stage withdrawal from Sinai. For this reason they want the area to be calm during this period.

The idea behind Philip Habib's first visit to the area was to "defuse" the danger of war between Israel and Syria so that the "Soviet danger" which the Americans allege is the number one danger in the area would not drop to third, fourth, or fifth place or become marginal while the Israeli danger rose higher. This was the aim of Philip Habib's first move. It was not in the interest of Syria or the Arabs but of the U.S.-Israeli plan.

AL-HAWADITH: Are you prepared to open a dislogue with the "Lebanese front" once agreement is reached on the question of relations [with Israel]?

Abu Tyad: That is the only problem between us. Another point is that they should recognize that we really want to return to our country. And for us to return to our country and not to settle here, they must encourage us to carry arms.

When we are unarmed it will be easy to herd the Falestinians like sheep. One group will be told to go to Jordan to settle there. Another will be told to go to Syria, and yet another to go to Egypt, and a large section of the Palestinians will be settled in Lebanon.

If they are really against settlement by Palestinians they must help us to continue fighting so no international decision can distribute us among the Arab countries like sheep.

AL-HAWADITH: Diplomatic options for the PLO seem to be narrowing at present because of the attitude of the new U.S. administration and the faltering of the European initiative. In the meantime its military operations are hampered by many stumbling blocks. Do you consider that the PLC is in an impasse and what should it do in the coming stage?

Abu Iyad: The principal factor making for success in our diplomatic moves is our military activity inside the occupied territories. The second factor is the strength of the Arab countries in the balance of power with Israel. When the Arab situation is balanced with Israel it will be a factor making for our political and diplomatic success. And when it is not, it will be the opposite.

With regard to military action in the occupied territories there are no stumbling blocks but there are great difficulties. Nevertheless, it is continuing. Despite the extent of our activities, which might be lessening, they are continuing.

What is beyond our control is the question of Arab solidarity and, consequently, of the Arab-Israeli balance. When Iraq and Syria disagree this means a weakened Arab-Israeli balance, and when Egypt withdraws from the battle the Arab weight in the balance is reduced.

The present Arab situation is very bad. We have lost one of the two bulwarks of our political activity and we are left with our own bulwark which exists and is holding firm, though it is definitely affected by the Arab situation. In the

absence of an Egyptian front and Jordanian, Syrian and Lebanese fronts the fighter inside the country suffers from the Arab situation which affects his morale because of the smaller amount of military material he will receive. We must note that our territory is small and the Israelis have divided it into squares in order to combat fedayeen action. Nevertheless, there are arrests and clashes every day and Israeli jails are full of thousands of Palestinians. This shows that our people are resisting with every means at their disposal despite all the corrective measure, including the attempts to expropriate lands and build settlements.

In the diplomatic arena the effect of the Arab situation is reflected in the attitude of the European countries. President Francois Mitterrand says that the Camp David accords are a reality, yet he supports the establishment of a Palestinian state. How can these stances be reconciled when the Camp David accords kill the Palestinian state and "autonomous rule" means that the Palestinians must remain directly under occupation? The head of the biggest European state has by his recent statement undermined the European initiatives for the Camp David accords are of no benefit whatsoever to the Palestinian side.

Suppose the ruler of an oil country stands up and tells Mitterrand, either you support the Palestinian cause and the establishment of a Palestinian state and recognize the PLO as the sole legitimate representative of the Palestinian people or else all your country's interests in the Arab countries will cease. The French ruler cannot afford to do other than take the matter into consideration. If the Algerian Government tells Mitterrand "Your visit to Israel means that you cannot visit us," many things will change. The French president is preparing to visit Israel. How can he proceed from Israel to Algeria or vice versa? It will be an embarrassment for the Algerian Government, but if it makes it a condition that we cannot visit Algeria if he visits Israel, I believe he will reconsider his political attitudes.

AL-HAWADITH: American statements have played down the importance of the recent Syrian-Soviet maneuvers. How do you explain this?

Abu Iyad: These statements were intended for domestic public opinion, not for Israel, and were simed at reassuring people that the maneuvers are something normal.

Nevertheless, the maneuvers that took place were something new because this was the first time that the Soviet Union had held maneuvers with a country outside the Warsaw Pact. This has many implications, the most significant of which is that the Soviet Union cares for Syria as a place and as a country and is anxious not to allow anyone to attack it. This is a signal to Israel which in essence says, we are here and capable of giving Syria all types of aid.

As far as the Soviet Union is concerned the maneuvers have shown that it is actually determined to play a role in the Middle East and in solving its problems. It wants to maintain this role and preserve it. Thus, it wanted to tell the Americans, you may have concluded the Camp David accords between Egypt and Israel but you have not achieved a comprehensive peace or established peace in the area.

AL-HAWADITH: Israel has begun improving its relations with the Soviet Union and it claims that at a later stage it will ask it to allow a general emigration of Soviet Jews and that it will also ask to be allowed to keep the occupied Arab

territories in order to settle millions of Soviet Jewish immigrants. Where will the Soviet Union stand in the future between the PLO and Israel?

Abu Iyad: The Soviet Union is our friend but every friend has its own considerations. The question of emigration has always been a matter of contention between us and the Soviet Union, but I do not think that it will allow large-scale emigration to Israel, particularly in view of the fact that the emigration of Soviet Jews to Israel has not succeeded since 60 percent of them after a short while in transit have gone to Italy and other places.

However, the matter will be the subject of discussion between us and the Soviet Union. I believe that the Soviet Union will certainly not give up its relations with the PLO and the Arab countries for the sake of Israel.

CSO:4304/83

PLO'S QADDUMI DISCUSSES FRENCH, U.S. MIDEAST POLICIES

PM200926 Jidda 'UKAZ in Arabic 14 Jul 81 p 8

[Interview granted by head of PLO Political Department Faruq Qaddumi to 'Ali al-Shubashi in Paris--date not given]

[Text] [Question] You are the third Arab official to visit France, after King Khalid and Jordanian Crown Prince Amir Hasan. What is your impression of the new French Government and the statements by French officials, and what is your view on the inclusion of communists in the government?

[Answer] We expect France in its new era to take progressive steps in its stand on the question of the Palestinian problem and the Middle East crisis, particularly since it has previously taken such steps and has made a substantial contribution to consolidating the European stand within the EEC. With regard to statements by French officials, particularly President Francois Mitterrand's statement about the inevitability of the establishment of a Palestinian state, there is no doubt that such statements give rise to optimism that in the future France will play an important role in realizing the Palestinian people's right to establish an independent state of their own. We hope that this view will develop into France's official stand in the near future.

With regard to the inclusion of communists in the French Government, I do not imagine that this will change that government's course and policy. In fact, this is the first time in a long while that communists have taken part in the government of a West European country, and therefore we believe that this trend will strengthen international detente and ease tension, particularly between the two superpowers and in Europe's internal situation.

We also believe that NATO is in itself a real aggression against the world's peoples. Therefore, if the government of a European state that is a member of this alliance is penetrated by other elements, the aggressive alliance will lose its effectiveness and the world will renounce alliances and will pursue coordination and cooperation instead of entering into aggressive armed alliances.

[Question] You have often said that the European initiative is finished and that there is a Soviet initiative that you accept. Is it true that there is a Soviet initiative, or are your statements aimed at pressuing the United States and the West so that they will move toward a solution?

[Answer] We have said that we welcome the Soviet initiative but we have not said that we accept it. In other words, we have accepted it as a positive move by the Iriendly Soviet Union, aimed at serving our just cause and the cause of peace in the area. But while we support the principles included in the initiative with regard to the achievement of the Palestinian people's national rights, including their right to establish an independent state and to UN participation in the convening of an international conference on the Middle East, we have also underlined that we categorically refuse to recognize Israel. This is our attitude toward the Soviet initiative. As for the European initiative, there is no such initiative.

We do not think that the principles that Europe has suggested regarding the Middle East problem will lead to such an initiative in the near future. We are now concentrating on the individual attitudes of each European state so we can find out its stand and, as Arabs, modify our stand toward it accordingly. Experience proves that efforts to prompt the adoption of a joint European stand have hindered our efforts to develop the stand of each European country separately, since the non-progressive stands of countries like Denmark and Norway influence the European Community and have an adverse effect on progressive stands.

[Question] Washington is said to have told some Arab countries that it was awaiting the results of the Israeli elections before moving toward a solution, but these elections seemingly have not encouraged the United States to make such a move. What do you think?

[Answer] It is thought that following the outcome of the Israeli elections, Begin, the well-known terrorist, will reform the Israeli Government. This in itself is grounds for concern by everybody that the possibility of war in the area will increase.

On the other hand, the whole world realizes that we do not trust the United States or its aggressive policy, since it is the primary supporter and encourager of Israel's aggression against the Palestinian people. We have no doubt that U.S. imperialism is working against peace and for a new war, particularly under the new U.S. administration.

The bombing of the Iraqi nuclear reactor is yet further evidence of the aggressive Israeli policy, which has the new U.S. administration's blessing. Added to this is Richard Alien's public statement that "Israel has the right to hot pursuit of Palestinian fedayeen in southern Lebanon." Do we need more evidence to prove that U.S. policy is prepared to sacrifice all its interests in the Arab world for the sake of preserving Israel's safety and security?

As for the Israeli policy toward the Palestinians, it is known beyond all question. Israel was established on the principle of usurping the Palestinian people's rights, expelling that people, seizing their lands and persecuting them through aggressive attacks on their camps, wherever they are. There is no indication in the outcome of the Israeli elections that the Israeli policy will change toward peace, and I would reiterate that the return of Begin to power will increase the possibility of war in the area.

[Question] The Americans see the Soviet threat as the real danger to the area. What is your opinion regarding this, and is there any truth in this view?

[Answer] We do not see the real danger to the Middle East as the Soviet presence. The Soviet Union has always been a neighboring state to the area and has no colonialist history, unlike other states. Also, it was the Soviet Union that revealed the Sykes-Picot Treaty, which divided the Arab east between certain Western states, to the Arabs. It was the first to give them arms back during the era of late President Jamal 'Abd an-Nasir and side with them during the tripartite aggression against Egypt. It is now siding with us and supports our causes everywhere and it recently sided with sisterly Syria and strengthened its steadfastness against the Zionist threats during the alleged missile crisis.

So what danger does the Soviet Union pose to us or to our interests? The danger is an illusion.

I discussed this question frankly with some Arab ministers at the recent meeting in Baghdad and cited illustrations of the stands of both the Soviet Union and the United States.

[Question] What about Afghanistan?

[Answer] With regard to the question of Afghanistan, the Soviet Union has often declared that it is ready to withdraw its forces from there if neighboring countries give the necessary guarantees that they will not attack or provoke Afghanistan.

[Question] The PLO has mediated between Arab countries that disagree with one another, such as Morocco and Libya and Iraq and Syria. Do you expect to succeed in removing the causes of disagreement so that the Arabs can stand united in the face of their principal enemy?

[Answer] We have indeed carried out such attempts, and brother Abu 'Ammar [Yasir 'Arafat] made several tours of these countries, most of which were successful. We hope that in the near future the efforts will lead to an Arab summit which would settle these differences once and for all.

CSO: 4304/79

PLO OFFICIAL BEMOANS LACK OF SOPHISTICATED WRAPONS

LD241440 Kuwait KUNA in Arabic 1255 CMT 24 Jul 81

[Text] Beirut, 24 Jul (KUNA) -- A leftist Palestinian official said today that the "big powers" re use to provide the PLO with sophisticated weapons to match the military arsenal which the United States provides to Israel.

The Palestinian official, who asked not to be named, declined to explain to whom he was referring by the words "big powers." He added, "We have asked for several batteries of sophisticated ground-to-air and ground-to-ground missiles, naval boats and ground-to-sea torpedo launchers (qadhifat torpero al-bahr) to enable us to least to defend our civilian population in Lebanon."

"Such demands," the official said, "have been made since Israel's invasion of southern Lebanon in March 1978. But the only response we received every time is a postponement. We are not given a clear rejection or acceptance. By saying this we do not mean to expose our allies, only to remind them that we are in a race against time, against the enemy and against the ally of our enemy who is our ally's number one enemy."

PLO spokesmen and information officials have declined to comment on these remarks.

The Leftist official added, "The Arab countries which possess such weapons cannot hand them over to a third party as they are barred from this by a clear rovision in the purchase contracts concluded with the arms manufacturing quarter."

The Palestinian official said that "the PLO has units of pilots residing in a number of Arab countries but we have no planes. We are like a taxi driver who has no taxicab to drive."

On the other hand, the Lebanese newspaper AL-LIWA', which has close connections with the Palestinian resistance, has quoted Arab diplomatic sources as saying that "the PLO has for some time been asking the USSR to supply it with anti-aircraft Sam-6 and Frog missiles." The paper adds that "the USSR has so far not responded to these demands, as the USSR believes that supplying such sophisticated weapons to the PLO would be tantamount to a declaration of war against Israel at a time when Arab and international conditions are not appropriate for such a stop."

CSO:4304/83

JORDAN REPORTEDLY PLEASED WITH BAN IMPOSED ON WEST BANKERS

TA221125 Tel Aviv MA'ARIV in Hebrew 22 Jul 81 p 2

[Report by Yosef Tzuri'el]

[Text] The Jordanian authorities do not conceal their content with the military authorities' decision to forbid Judaea and Samaria Arab personages from holding any contact with PLO members. The Jordanians hope to be aided by this decision to strengthen their status in the region.

It was reported from Arab sources that the Israeli Government's decision did not give rise to indignation among the Jordanian leadership and that in talks recently conducted between Judaea and Samaria notables and the Amman authorities the decision was not condemned. In contrast, there was talk with the Jordanian prime minister and interior minister about the need to increase the financial aid to the inhabitants of Judaea, Samaria and East Jerusalem. Both said that the aid will indeed increase and will not be given through the joint PLO-Jordanian Committee which has been paralyzed for some months already due to differences among its members.

Security elements said that this Jordanian reaction was expected when the decision on forbidding Judaea and Samaria Arabs to hold contacts with the PLO was formulated. According to these security elements the village mukhtars have not yet developed dependence on the PLO and they are still accustomed to the Jordanian regime's rules and regulations. The heads of small towns so far have behaved as though the relation with the PLO has been imposed on them and from now on it will be then easier for them to link up with Jordan. As for the mayors, they are bound to behave according to the degree of risk they may face. Mayors such as Karim Khalaf and Bassam al-Shak'ah who have all along detested the Jordanian regime will now have to maneuver themselves in a manner which will not burn the bridges with the PLO but yet reach peaceful coexistence with King Husayn as well.

CSO: 4323/27

KUWAITI INVESTMENTS IN MOROCCO

London 8 DAYS in English Vol 3 No 28, 18 Jul 81 pp 36-37

[Text] A \$60m TOURIST complex in the Erraha district of Marrakesh, which is now almost certain to go ahead, is the latest in a series of projects undertaken in the country by the Moroccan-Kuwaiti Development Consortium (MKDC) in the field of tourism

and hotel construction.

The Erraha project, which covers an area of 26,000 sq m in the centre of Marrakesh, includes a leisure centre, a commercial section and parking space, as well as a number of apartment blocks. According to MKDC's managing director, Sein al Abdein al Alawi, most of the finance is expected to come from various Kuwaiti companies—but the contracts will go largely to local firms.

So far we have not decided who will get the contracts,' said at Alawi. 'The study is completed and we are waiting for the financial side of things to be finalised. We might use some foreign companies, but we

hope to use mainly local ones."

The consortium was set up at the end of 1976 with a capital of \$70m, and has made total investments to date of around \$650m. It is 66 per cent owned by Kuwaitis, who are represented in the company by the Kuwait Real Estate Investment Corporation. The other 34 per cent is owned by Moroccan private and semi-public enterprises.

The consortium has concentrated its activities in three major fields. In the industrial sector, it runs two sugar refining factories (in Doukkala and Zemamara) and owns cement factories and plants producing mechanical equipment and metal products.

In hotel management and construction, another area of involvement, a subsidiary company. Farah, has a chain of six hotels in Rabat. Marrakesh, Tatwan, Casablanca,

Safi and Khouribya. During the next two years Farah hopes to add another four. The consortium's third field of activity is housing construction, mainly cheap housing. It has a subsidiary company which specialises in the building of prefabricated dwellings.

Besides its investments through MKDC, the Kuwait Real Estate Investment Corporation is also involved in Moroccan projects on its own. On the Corniche of Casablanca, for instance, it has acquired a site of 70,000 sq m on which it intends to build a tourist complex and a number of villas. It is also seeking investment finance in Kuwait for various housing complexes in Casablanca and Temara, near Rabat. The former comprises 107 villas and 530 apartments, while the Temara project involves building a large low-cost estate on 13 hectares.

However, even these levels of investment and activity do not seem to satisfy Moroccan. Businessmen, whose expectations are much higher. As al Alawi said: 'The scale of investments by the Kuwaitis, and by the Gulf states on the whole, are rather timid in comparison with the possibilities that our country offers.'

Moroccan businessmen are also complaining that Moroccan goods are being re-exported to the Gulf market from European countries — under different brand names, and without a made-in-

Morocco tag.

The team from the centre was anxious both to arrange meetings between Kuwaiti and Moroccan businessmen and to introduce Moroccan products to the Gulf. As one businessman from Rabat said: 'We have enormous difficulties nowadays in penetrating the EEC market, so the best thing for us is to use the Gulf markets and hope that Gulf investors will come to our country. I am sure that returns on investments in tourism will be worthwhile.'

CSO: 4500/25

INTER-ARAB AFFAIRS

BRIEFS

APPROVAL FOR ARAB AID SOUGHT—Gaza Mayor al-Shawwa has asked the military government in the area to allow him to receive the equivalent of 40 million Israeli shekels as aid from the Jordanian—PLO Joint Committee. This is reported by our correspondent Bassam Ja'bar. The military government says that it asked al-Shawwa to specify the destination of these funds but the mayor has not yet complied with this request. Therefore, he has not yet been issued a reply. [Text] [TA221641 Jerusalem Domestic Service in Hebrew 1600 GMT 22 Jul 81]

CSO: 4323/27

SOVIET POSITION CONTINUES TO DETERIORATE

Mutiny at Air Base

Lahore THE PAKISTAN TIMES in English 9 Jul 81 pp 1, 5

[Text] Peshswar, July 8: Reports reaching here from across the border now confirm the mutiny at the Bagram air base near Kabul.

The details reveal that a group of 13 Air Force officers, led by Major Mohammad Asghar Safi, revolted and blew up ammunition dumps, destroyed 17 sircraft and damaged another 18. The leader later on took off in an aircraft bombed the base and was either hit or crashed somewhere.

It is said the action coincided with the first anniversary of the execution of Abdul Majeed Kalkani, an insurgent leader by the Afghan Government. At that time, in retaliation, the authorities in Kabul had carried out indiscriminate air attack killing relatives of the officers who had revolted.

In Kandhar area the Mujahideen have also been active. They attacked the Kandhar air base, destroying 10 aircraft and four helicopters. At the same time conscription has been intensified since all peasants who were issued arms to protect themselves, have been ordered to report for military duty at Kabul. It is reported that through such coercive means the authorities have been able to forcibly recruit about 1,000 people.

The state of discipline and morale in the Armed Forces remains very poor. It is reported that about 50 officers and other ranks were arrested on the charge of anti-Government activities. Two ring leaders in a battalion were arrested while others managed to escape allegedly for a plan to kill their officers and join the Mujahideen.

It is also reported that the Soviets are further augmenting their strength in Afghanistan. Not only a large number of military transport vehicles was reported to have arrived in Afghanistan last month but the frequency of transport flights has increased considerably. It may, however, be possible that these supplies have been sent to replace those damaged as a result of action by Mujahideen.

The Afghan authorities, in order to improve the situation have raised the period for conscription service from two to three years.

Meanwhile, the congress of National Fatherland Front, which was summoned by the regime in Kabul, was a total flop. It was a State-managed affair attended by party functionaries and low-grade Government employees. All they did was to sign on the dotted line. The Kabul regime is playing it up as a great achievement, but the public response remains very poor.

Meanwhile, heavy fighting continued in Afghanistan's capital of Kabul and Parwan Province and the Mujahideen were apparently in control of much of the countryside, Western diplomatic sources said today.

The fighting in Parwan Province, north of the Afghan capital, was also reported here yesterday by other diplomatic sources. They said the important town of Gulbahar was reported to have been wrested from Government control last week. Western sources said Gulhabad's bazaar area was completely destroyed in the fighting and there were many casualties.

Parwan's capital of Charikar appeared to be in the hands of the Mujahideen in the afternoon.

In Kabul, the sources said sporadic artillery and machine-gun fire was heard at night this week. The sources said at least four Afghan soldiers were killed last Wednesday in a Mujahideen raid near Karga Dam west of Kabul.

They said a restaurant overlooking the Karga Lake was destroyed. The sources quoted a note left by the Mujahideen as saying that the restaurant was burned down because officials of the ruling People's Democratic Party and Soviet troops were corrupting the place. -- PPI/Reuter.

Battle at Baghlan

Karachi DAWN in English 17 Jul 81 p 6

[Text]

NEW DELHI, July 16: Afghan querillas fought a pitched battle with Kabul Government troops in Beginan industrial area, north of Kabad tast week and inflicted demages on Government properties, reports reacting here today from the Affiren capital said. Trouble began when Commment soldiers spotted a dozen er-

med Afghans moving in the area on Saturday and challenged them. In the exchange that followed at least seven Covernment, soldiers and five querillas west billed. The insurgents set fire to Gov-erment properties.

The following day the Govern-

ment forces aided by tanks and armoured personnel traces and ducted a search mid destroy ope-ration in the area, the separts reaching Afghan dissidents here said.

The incident was confirmed by the State-owned Kebal Radin yesterday when it claimed that a

group of "bandits" which was active in the industrial Baghlan area was liquidated by Security

Ascording to an Ankam report official framian, seem agency Furs' said today Soviet believplers bombed several houses and Miled two children in the willings of the Suitate in Seem previous of

Afgheedram.

Ther said the Soviet believpter attack on the village was retaliatory after Afghan Mujahoteen threated a planned Soviet ambush on the village which is in entreme Western Afghanistan,

In other fighting near the Iranhan border, 'Pata' said Islamic guttillas hiew up a Soviet tank and Ellied the soldiers inside.—APA.

APA.

rarachi DAWN in English 23 Jul 81 pp 1, 5

NEW DELHI, July 22: Several hundred Soviet and Afghan Government troops as well as civi-lians were believed killed or wounded last work near Kabul in the heaviest fighting against freedom fighters, in the area for 19 months, Western diplomatic sources said here today.

They said the fighting in the Paghman foothills, 26 kilometres (12 miles) northwest of Kabul began as a clearing operation against a nationalist controlled area on July 13 and was agreed over three days.

over three days.

The sources said they estimated at least 70 young Afghan military cadets were among those killed in what they described as

the heaviest fighting close to the capital since Soviet troops arriv-ed in Afghanistan in December 1979.

Other diplematic sources gave a less dramatic. account of the righting, saying there appeared to have been a dearing up operation in Pagisman in which the Soviets and Afgisms used artillery rocket-launchers and helicopter gunships, affacush the freedom fighters had largely left the area after heating of the impending attack.

But these contes uses said they believed ead to form the Hillitary Academy in Eabut were killed in the operation and reported that

the operation and reported that Kabul Television last Sunday showed the better of 30 cadets

killed while fighting "looters and enemies" in Paghman.

The Western sources said the action in Paghman started when guerillas fired on a group of about 300 cadets moving into the hills. The guerilla surrounded the eadets and shouted over megaphones urging them to surrender. This sources said shouts 200 cadets surrenderd and others were believed killed. were believed killed.

On July 14, apparently to avenge the attack on the cadsta, a strong 'Soviet and Afghan armoured force supported by helicopter ganships moved into the area "shelling, strating and bomb

ing" villages and individual

houses, the sources said.
Villegem trying to fiee the area
were gumed down and those
found taking shelter in the houses
and cellars were killed, they add-

But on at least one occasion when Soviet troops, landed by helicopter to reinforce the ground troops, were virtually wiped out by guerillas, the sources said.

They said some Soviet troops were also reportedly strafed and bombed by their own helicopter gunships by mistake.

The fighting continued throughout the day on July 14 and at night the guerillas made an un-successful attempt to overrun a heavily fortified army camp near

Sporadio fighting also continued the acut day and the scuroes which had been attacked for

The Western diplomatic sources said that totalling up the casual-ties was difficult but they estimated several hundreds Soviet and Afghan troops were killed or wounded, spart from the sivilians and so to 100 Mutahidem. and 80 to 100 Mujeh

and 50 to 100 Mujahideen.

Commenting on the operation, the sources said it may not have ashieved the objective of clearing Paginnan of guerillas because several hundred more had arrived from other provinces by the time the fighting ended.

But they said the action may have made it harder for them to operate from there.

The sources said the residents of Pagbman had been warned of the action before it was mounted and many civilians had left by July 12. The Government troops had been increasingly frustrated by central of the area by guerillas.

They said the situation in Kabul hast week largely peaceful probably because the guerillas and the Government troops were engaged in

Pasterian.

But killings of some individuals and members of the ruling Peoples' Democratio Party (PDP) continued. A popular singer and Covernment supporter was killed recently at her home and an Afghap soldier guarding a diplomat's house was shot by gurimen who also enatched away his rifle.

wict forces in Afghanistan contral only five to 10 per cent of the

country, according to a report in the "Toronto Globe" and "Mail". The Toronto paper carried a re-port from David Van Fraagh, who teaches journalism at Ottawa's Carleton University, and is currently visiting Pakistan, that

described the dilemma faced by the Soviet Union. Eighteen months after invading

Afghanistan, the Soviet Union is faced with the fact that it controm only a small part of the

country and its hold even on the capital "is remons", says the re-port. At the same time, the So-

port. At the same time, the Soviet forces in Afghanistan are suffering high ossualties and their morale is "ragging".

While the war has pushed two million Afghan refugees into Pakistan, the report certinuss, the \$5,000-man Soviet force in Afghanistan is also "beleguered", and the Russians may be looking for a way out of Afghan leader Burhan-ud-Din Rabbani as saying in Peshawar that the Russians would

Peshawar that the Russians would like to leave Afghanistan they don't know how".

The report credits the Afghan Mujahideen with "scoring stunning victories with often obsolescent weapons", but falls short of predicting a Soviet pullout. It recalls that during the 1920s and 1930s the Russians had brutally subjugated tribal peoples on the northern side of the Oxus river when their military means were

more limited than they are now.

An American anthropologist who spent 30 years doing re-search in Afghanistan says that Soviet tactics are unifying the Afghan people as no previous government was able to do. In an interview with "Science"

magasine, Louis Dupree said that this unity, and the supply of weapons to the freedom fighters, "could force the Russians, who already know they can" conquer Afghanistan only destroy it, to settle the matter peacetully at the negotiating table".—APP.

Fifth of Population Flees

Karachi DAWN in English 23 Jul 81 p 1

[Text] Bonn, July 22: Nearly 20 per cent of Afghanistan's 17 million population have fled the country since the Soviet invasion of December 1979, a member of the West German Parliament said today.

Mr Volker Neumann said that 2.2 million Afghans were currently in refugee camps in Pakistan and one million had fled to Iran.

About 2,000 refugees continued to leave Afghanistan daily.

Mr Neumann, who belongs to the Social Democratic party (SPD) of Chancellor Helmut Schmidt, is Chairman of an SPD working group on refugee affairs.

He has just returned from a visit to refugee camps along the Pakistan-Afghanistan border. -- DPA.

Call for More Soviet Troops

Karachi MORNING NEWS in English 25 Jul 81 pp 1, 8

[Text] London, July 24: Mr Babrak Karmal has requested the Soviet Union to send more troops to deal with the deteriorating situation in Afghanistan, reliable sources from Afghan capital said.

The sources reported that Mr Babrak Karmal who had proceeded to Moscow last week on a secret mission is still there. He had been summoned by the Soviet authorities for consulting on the proposal put forth by the European Economic Community (EEC) relating to calling a global conference on the Afghan issue and on the widening gulf between Parcham and Khalq factions of the ruling Communist party in Afghanistan.

It is reported that Mr Babrak Karmal is extremely worried over the deteriorating situation in Afghanistan. The emergency arrangement made to overcome the situation in the country has not produced encouraging results. The urban guerillas have rather stepped up their activities. To control the worsening situation, the Soviet forces had recently been called back from a number of subdivisions of Kandahar province and stationed in Kabul. Similarly, the Afghan militia has been withdrawn from Kabul-Jalabad Road and replaced by the Soviet forces.

It is further reported that Soviet authorities had talked to Mr Babrak Karmal on the rifts between Parcham and Khalq factions. It is to be mentioned that Khalqis had adopted stiff attitude after Prime Minister Sultan Ali Keshatmand was inducted into office and they had been demanding equal share in the key governmental posts. The ratio at present between Parcham and Khalq is 60:40, but the most important posts are occupied by Parchamis.

Convoy Attacked

During an encounter between Mujahideen and an Afghan army convoy in Sangeen area of Kajki subdivision of Helmand province on July 6 two tanks were destroyed and the crew was killed.

The government force fled away with a tank. Two Mujahid drivers Pir Jan and Sardar Mohammad were martyred. The fighting took place suddenly between the places Grishik and Farah.

According to the details, the Mujahideen were going to their places in a truck when an accident took place at a dangerous turning and the truck was left at the place with drivers Pir Jan and Sardar Mohammad to look after and they proceeded on to their places on foot. Meanwhile a government convoy appeared in the area. The truck in which the Mujahideen were carrying arms and ammunition was seized by the force. On their return, the Mujahideen encircled the convoy and after three hours of tough fighting the government force fled away with one tank while two tanks were destroyed by rocket launchers. The Mujahid drivers Pir Jan and Sardar Mohammad were martyred. The number of casualties of the government force could not be ascertained.

Radar Stations

More details have come to light about the losses occurring as a result of Mujahideen's raid on Spin Buldak area close to Pakistan border on July 11.

One of the three Afghanistan's major radar stations had been totally destroyed in the attack. According to the latest information the cost of the radar station was 70 million dollars.

According to the information received by Agency Afghan Press, Quetta office, three high Soviet army officers visited Spin Buldak last week to review the situation. The helicoper carrying the officers were protected by three gunship helicopters. The officers had an aerial survey of Spin Buldak and the border area.

During their stay in the border town, a number of people were arrested including three Afghan intelligence officers. An ugly scene of clash took place between the Soviet officers visiting the area and the Afghan army officers. Hezb-i-Islami sources have reported that security measures have been tightened at the radar stations at Mahal Chinar in the suburbs of Kabul and in Helmand province.

It is also reported that 200 soldiers and 6 tanks, have been sent to Spin Buldak following the Soviet officers' visit to the area.

Failure of Soviet Propaganda

Karachi MORNING NEWS in English 25 Jul 81 p 3

[Text] Islamabad July 24: Eyewitnesses to Soviet human right violation in Afghanistan told a congressional hearing on Wednesday that the Soviet Union faces a growing Afghan resistance and has failed in propaganda efforts to win over the Afghan mind, a Press release of U. S. International Communication Agency said here yesterday.

A tribal leader from Central Afghanistan, who travelled on foot for three weeks in order exit his country and testidy at the hearing, said that the Afghan Freedom

Fighters have increased in numbers and are experiencing a greater power than they had five months ago. Testifying in Dari dialect, Malik Mohammad Hussain Wardak said that Soviet soldiers do not dare "step 10 feet outside" a large number of Afghan cities because they fear being killed by the Mujahideen or freedom fighters. Wardak remarks were translated by Thomas Gouttierre, Director of the Centre for Afghanistan Studies at the University of Nebraska at Omaha.

Soviet failure to influence Afghan thinking was underscored by Mohammad Seddiq Farhang, formerly economic adviser to Afghan President Babrak Karmal. Farhang, who recently fled Afghanistan to seek asylum in the West said that the Soviets main propaganda thrust within Afghanistan has been an attempt to convince the people that the present Government is not under the control of the Soviet Union and that the Russian army is in position to defend Afghanistan against other countries.

This propaganda has failed, Farhang said, the the Soviets have had no influence on the Afghan mind.

Farhang said the Soviets want to convince the rest of the world that they are attempting to bring about a change that is necessary to bring a backward society into modern life and that the Mujahideen are acting "to prevent these necessary reforms.

He also pointed out that one of the most significant consequences of the Russian invasion and occupation of Afghanistan has been that the fact of the invincibility of the red army has been shattered.

Wardak also noted that "not all of the occupation troops are Soviet," Wardak said, not noting that Cubans, Czechoslovakians, Bulgarians, and other members of Warsaw Pact countries are fighting in Afghanistan. Asked what evidence he could recount substanting the involvement of these troops, Wardak said that markings on captured weapons indicate that they are from countries other than the Soviet Union. He added that some wounded and captured soldiers also indicated to his men that they are not from the Soviet Union.

Devastating Weapons

Wardak spoke in detail regarding the various types of devastating weaponry utilized by the Soviets. He said they include reconnaissance planes, MI-24 Helicopters, deep penetrating bombs that enter the ground, explode, and spray rubble over a large expanse of terrain, incendiary bombs that can inflict wounds that take six months to heal, gas bombs that immobilize victims for 40 minutes and impair hearing ability for several days, bombs that leave a residue of long gelatinous-type strings which explode when touched, and camouflaged bombs in the form of toys and pens capable of blowing off limbs.

"Not only are freedom fighters being killed," Wardak stressed, but so are our women and children. No life remains in those areas bombed by the Soviet warships."

Wardak also pointed out that we inside Afghanistan obtain almost all of our weapons from captured Soviet convoys, defecting Afghan troops, and purchases made in the border areas."

Push Back One Generation

Documenting the effects of Soviet control over the day-to-day operations of the Afghan Government, Farhang said that as a result of more than three years of Communist rule and Soviet occupation, Afghanistan has been pushed back at least one generation on its path to progress.

"This is based only on the losses inflicted until now, Farhang continued. What the future has in store for my unfortunate country is beyond anybody's calculation or estimate.

Perhaps the most moving testimony of the hearing was given by an 18-year-old Afghan woman named Nahid who led a demonstration on April 29, 1980, against Soviet domination of her country.

Relating the sequence of events which resulted in the shooting of at least 70 of her school friends by Russian soldiers Nahid appealed for U. S. aid in regaining her homeland.

We urgently call on the American Government to take decisive action, she said.

Congressman Dante Fascell stressed that the Soviet Union has clearly undermined the spirit and intention embodied in the Helsinki Final Act, severely damaged the international climate and done great harm to East-West relations.

He challenged the Soviet Union to account for their religious violations of the Helsinki accords and expressed the hope that the hearing would be a vehicle to serve notice to the Soviet Union that the United States Congress remains concerned about what is happening in Afghanistan.—APP

CSO: 4600/94

AFGHANISTAN

KHALKIS SEEN LOSING IN FEUD WITH PARCHAMIS

Zurich NEUE ZUERCHER ZEITUNG in German 25 Jun 81 p 5

[Article by A.H.: "Continuing Fights Between Factions in Kabul"]

[Text] Consolidation of Power by Parchamis Group

During the meeting at the end of May of the Central Committee of the Afghan state party--officially called the Afghan People's Democratic Party--a reorganization within the state leadership took place; however, no far-reaching changes are expected. As had been announced earlier, the offices of head of state and prime minister, both of which had been held by Babrak Karmal, were to be separated. Apparently, original plans were to lend a more important role in the leadership of the state to the Khalki faction. Although it had a larger membership, it had more or less been eliminated from the government since the overthrow of Hafizullah Amin. One of its members is supposed to be named prime minister. It appears that the Soviets were behind it; for a long time one of the biggest worries for the Soviets has been how to stop the continuous and often bloody factional fights within the state party between Khalkis and Parchamis and how to reconcile the two factions.

The Parchamis are a small group of parlor-communists from the cities. Most of them come from well-to-do families and they always speak Farsi--also called Dari--the Iranian dialect of Afgham city dwellers. The Khalkis are composed almost exclusively of Afghams speaking the Pushtu language. They are descendants of nomadic tribes, although the majority of them hold lower level state jobs, teachers, functionaries, corporals and officers who had graduated from state schools and joined the civil service. The most violent flare-up of this enmity between the two factions which to date has been inextinguishable occurred under Hafez Amin, when many Parchami party members were arrested, tortured and cruelly executed, many of them with their families. Since then a number of bloody feuds have been in existence between the two wings of the party.

Rumors Surrounding Sarwari

Following the plenary session of the Central Committee, several imprisoned Khalkis were brought from the Pul-e-Sharki prison to talk to Babrak Karmal. Even Azadullah Sarwari, Karmal's former vice-president who had been appointed ambassador to Mongolia, briefly turned up in Kabul, which led to speculations that

the Russians wanted to make him prime minister. Sarwari was the head of the Secret Service while Amin was in power and he was considered one of the main torturers during that bloody period. The saying goes in Kabul that he had personally participated in the tortures of his fellow ministers and party brothers of the Parchami faction. For that reason he could not retain his position as vice-president when Karmal took over after the invasion and the liquidation of Amin by the Russians, although he allegedly had the support of the Soviet Union.

During the first few months of the Soviet invasion, many Parchami ministers refused to participate in government sessions which were attended by Sarwari, and several gunfights took place between supporters and bodyguards of both factions and apparently even between the ministers themselves. Finally Sarwari was dispatched to Mongolia.

No Reconciliation as Yet

The reappearance in the capital of Sarwari in conjunction with rumors about an impending reinstatement of the Khalki faction in the government seems to have intensified the continuing feuds between the two factions. In May there were reports that 21 Parchamis had been shot and killed by Khalkis during the course of 1 month. According to Indian conjectures, Karmal outwardly (and toward the Russians) appeared to support the inclusion of Khalkis in the government, but inwardly he simultaneously conducted a "secret purge" in the army and in the administration, and the primary victims were Khalkis. During the second week in May all these tensions and intrigues seemed to have led to a gunfight in the presidential palace, during which one of Karmal's bodyguards was killed.

Continuing Repression of Khalki Faction

In the end, Karmal avoided having to put Khalkis in leading government positions. Soltan Ali Keshtmand, a Parchami and a Karmal supporter, became Deputy Prime Minister. He was among those people who had been tortured by the Khalkis under Amin. Keshtmand comes from a minority group, the Hazaras; they are the mongoloid inhabitants of the central valleys of the Hindu Kush. They had always been considered especially inferior and hence they had suffered brutal treatment by the traditional master race, the Pushtus. The fact that a Hazare could become a prime minister is considered more or less a sensation by Afghans, even those who are living in exile in Europe. Most of them, however, assume that this development might even intensify the fighting with Khalkis of Pushtu origin.

Abdorrashid Arian, a Khalki who had replaced Sarwari--who had been sent to Mongolia--ll months ago as deputy prime minister and minister of justice, was sent "upstairs" to the presidium of the Revolutionary Council and was thus eliminated. The office of the chief of the Secret Service, which continues to be a very important post, also remained in the hands of a Parchami, Najibullah, who became a member of the politburo as well. Two Parchamis, Abdul Kader--a former pilot who later became head of the Air Force and who was the main organizer of the two coups d'etat in 1973 and 1978--and Gul Aqa became vice-presidents. Watangar, the other important officer in the uprising, is closer to the Khalki faction. He remained minister of communications but at the same time he was moved to the politburo. The presidium was expanded and now consists of 11 members, 2 of them Khalkis. The general impression is that Karmal succeeded in sidestepping the

plan supported by his Russian mentors, the intention of which was to create a balance between Parchamis and Khalkis, and in the end he was able to continue strengthening the preponderance of his own faction in the government.

Brisk Activity by Freedom Fighters

Nevertheless, all these power struggles within the government of Kabul are only of secondary importance, because the government together with the protective Soviet occupation troops only controls major road systems and the more important cities. But even in those locations they are increasingly challenged by freedom fighters. During the week between 8 and 14 June the military airport of Baghram was attacked by partisans. Next to Kabul it is the most important airport in the country, and many Soviet fighter planes and helicopters are stationed there. Apparently they filled drainage ditches leading to the airport with gasoline and set them on fire. It caused enormous fires and explosions of stored ammunition. According to eyewitnesses, endangered plane left the airport immediately. The road from Kabul to Baghram was closed after the attack and again 4 days later. The attack occurred on the anniversary of the execution of Majid Khlakhani, a well-known leader of the partisans. In Parwan, his home province, there were many other raids, among them the shelling of the house of the governor of the province. There were also reports of two major attacks on the main road over the Salang Pass to the Soviet Union, and, furthermore, of the desertion of 200 men from the Afghan troops in Jevel Sarraj located on the same main road and of fierce fighting in the area that occurred on Friday and Saturday last week.

In Kandahar the rebels still seem to stay in the suburbs and the surrounding areas. The government paper of Kabul reports that party workers in that city had transported the city's grain supplies from the interior of the city to the airport; apparently it was feared that inside the city they would fall into the hands of the rebels. Kabul's state television reported that religious leaders of the city of Kandahar had talked to the governor and complained about the steadily deteriorating living conditions and continuous raids by rebels.

Extended Compulsory Military Service

According to Radio Kabul, gatherings are currently taking place within the army, during which the soldiers are declaring their willingness to extend their military service voluntarily "until the rebels are defeated." But background reports show that the government has extended compulsory military service in certain cases by 6 months, in others by 12 months. Last December police units in Kabul mutinied because the government had unilaterally extended their years of service. According to the same sources, young people are frequently stopped in the streets and forced into military service although they have not even reached the age for the military draft. They also reported that a 15-year-old had been shot to death during such a military barricade in the capital when he tried to flee; his name had been Abdurrahim.

It was said that fierce fighting had also broken out in the former summer residence of the Afghan kings, located in the immediate vicinity of the capital, and at a dam near Kabul. Reports by journalists who had accompanied the rebels as they were moving through the country indicated that in many cases weapons were now available that could destroy tanks. But the number of civilians leaving the

country is also rising constantly; it appears that the number of refugees has now surpassed 2 million people. The refuge movement presents a severe danger for the rebel groups because they depend for food and support on the farmers who are gradually depopulating the mountain valleys. Their obvious attempt of recent months to move the fighting into the vicinity of the cities and suburbs might in part be linked with the necessity of protecting the population in the open country as far as possible from counterstrikes and annihilating attacks by Soviet airplanes and tanks.

8991

CSO: 4620/1

EX-CHIEF OF NIOC SEES KHOMEYNI SLIPPING FAST

Hamburg DER SPIEGEL in German 27 Jul 81 pp 92-93

[SPIEGEL interview with Hasan Nazih, former head of the Iranian Oil Company: "Khomeyni Has Lied to the People and Cheated Them"]

[Text] SPIEGEL: Mr Nazih, the bomb attack on the headquarters of the Islamic Republican Party has deprived the party of its most important people. What does the future hold?

Nazih: The present situation is the result of the utter abuse of power by the reactionary mullahs. Things have reached a point where Khomeyni is calling on parents to denounce their children and vice versa.

SPIEGEL: You yourself were a member of Khomeyni's leadership team. Has the regime really come to be that far removed from its original ideals?

Nazih: What do you mean, "member of Khomeyni's leadership team"? I had been chairman of the Iranian Bar Association and wanted to remain such. During the time of the shah I had publicly defended the strikes of the petroleum workers. Therefore, at the request of the petroleum workers, I was asked by Prime Minister Bazargan to assume the post of general manager of the National Iranian Oil Company, with Khomeyni reluctantly putting up with it.

SPIEGEL: But once you were part of it, you went along?

Nazih: I was merely general manager of the petroleum industry. I was never on Khomeyni's leadership team. I saw through Khomeyni's plans from the start and at Nesuphle-le-Chateau drew his attention to his promises to the Iranian people. I repeatedly criticized the mullahs' machinations. And I was definitely aware of what the consequences of such criticism would be.

SPIEGEL: So why did you go along in the first place? Was it your hope that through a derour via Khomeyni the Iranian people might find their way to true democracy?

Nazih: At Neuphle-le-Chateau, Khomeyni had given assurances both publicly and to me personally that he had no intention whatsoever of assuming governmental powers but that he considered himself merely a spiritual leader.

SPIEGEL: Did Khomeyni purposely deceive you about his true intentions, or do you think that events got the better of him and that he spontaneously placed himself at the head of the nation?

Nazih: He abused the wave of support by the masses, which hailed him as a symbol of the revolution, to establish a so-called Islamic republic. The Iranian people had fought for freedom, independence and profound social reforms. In other words, he ignored the aims of the revolution contrary to his previous intentions.

SPIEGEL: In his writings he had never left the slightest doubt about the nature of his political philosophy.

Nazih: During his time in Paris, Khomeyni never publicly advocated his political philosophy or his intentions. Nor did we believe then that he would take brutal steps to realize his political philosophy. He simply lied to the people and cheated them. He tried to turn back the clock by 1,400 years, and in fact he almost managed to do so by varied manipulation of the masses and by abusing their religious feelings.

SPIEGEL: How about the civilian politicians? Did they perhaps intend to use Khomeyni only as a tool in order to assume power themselves later?

Nazih: We did in fact think that we need not fear the mullahs because 1) only a small part of the mullahs had any political ambitions (which, incidentally, is true to this day) and 2) we were sure of the liberal and moderate ayatollahs.

SPIEGEL: Such as Ayatollah Shariat Madari...

Nazih: Not only him but Ayatollahs Taleghani and Rafsandsharni and others.

SPIEGEL: Taleghani died before he could stay Khomeyni's hand. Was he Khomeyni's great antagonist?

Nazih: He was the ayatollah who was also accepted by the broad masses of the people. But he was systematically isolated. Later he even had to hide and sleep at a different place every night. In order to defame him with the masses, Khomeyni even charged that he was trying to show off as an idol. He wanted to prevent that, he said.

SPIEGEL: How was it possible for the mullahs, who really had hardly any political experience, to get rid of experienced politicians?

Nazih: Beheshti was so clever as to form conspiratorial cells, everywhere at an early stage, from which later to found his IRP. His people had the mission to hinder the technocrats in their work and to paralyze the government apparatus and systematically to seize power.

SPIEGEL: They were mullahs and functionaries of the Islamic Republican Party?

Nazih: Predominantly so, but also people of the Tudeh Party, which from the start pulled on the same rope as Beheshti in the hope that they themselves would come to power after the mullahs had destroyed the old structures but then proved incapable of exercising government power. The mullahs have achieved their aim, the Tudeh Party not as yet.

SPIEGEL: And then you yourself fell victim to Beheshti's conspirators.

Nazih: I was a thorn in the mullahs' side. They, therefore, constantly looked for a reason to remove me from the petroleum industry in order to bring it under their influence.

SPIEGEL: You never had any direct access to the top political leadership?

Nazih: No, I never wanted to.

SPIEGEL: Who then was part of it?

Nazih: The top leadership consisted of Rafsandshani, Beheshti and Muzawi Ardebeli. Bazargan never played a big role; he prepared the way for the mullahs to assume power. He was merely kept informed—if that. He was constantly reprimanded by Khomeyni. When he went to Qum to see Khomeyni and requested that the so-called Council of Experts be dissolved (which was meeting under Beheshti's chairmanship) Khomeyni chewed him out like a schoolboy. According to reliable reports, he shouted at him: "Put your request back in your pocket and scram, or I will bash your face in." Intimidated, the prime minister went back to Tehran with his request.

SPIEGEL: The so-called Employees Association of the Iranian central bank accused the country's religious leaders of extensive embezzlement and massive corruption. Did that in fact happen already during your time?

Nazih: I can give an accurate answer only as far as my area is concerned. On several occasions, clerics came to see me asking for one to three tanks of oil for European friends of Beheshti's or Rafsandshani's. They made no secret of the fact that they had been bribed and asked me what kind of cut I wanted.

SPIEGEL: What did the go-between in fact rake in on the average?

Nazih: I never permitted such deals and did everything I could to nip such things in the bud. Of course, I thus incurred the enmity of Messrs Beheshti and Rafsandshani.

SPIEGEL: And how were things under your successor, Ali Akbar Moinfar?

Nazih: It went ahead on a large scale. Only, I think, Moinfar can hardly be held responsible, for Beheshti had got hold of the entire oil sphere and, therefore, of course was also the main person to benefit.

SPIEGEL: How many millions did you turn over per day on the average?

Nazih: In my time--1979---the turnover was about 75 million dollars a day. I had proposed that one daily intake each be provided for individual provinces in order to promote their development. Ayatollah Rafsandshani, acting speaker of parliament at the time, demanded the authority to dispose of the amounts provided for the Provinces of Khuzistan and Kurdistan, to a value of 150 million dollars. Since I suspected that this sum might be used for another purpose and misappropriated, I, of course, refused his request. He never forgave me for that.

SPIECEL: So, in your opinion, the mullah regime is virtually already at an end?

Nazih: I think the mullahs are through in Iran. The mass arrests and execution even of minors are a clear indication of their weakness. I think they no longer have any chance to continue ruling in Iran.

SPIEGEL: And who will follow the mullahs?

Nazih: Certainly not those who collaborated with the shah. It can only be forces that persistently pursue the aims of the revolution, that fight for a democratic republic in Iran and that are known for sure to have the masses of the Iranian people behind them and aside them and not against them.

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CSO: 4620/4

MONTAZERI ADVOCATES EXPORT OF ISLAM 'BUT NOT TO GRAB LAND'

Tehran ETTELA'AT INTERNATIONAL in English 22 Jul 81 p 8

[Text] Tehran (Pars)—Ayatollah Montazeri in an interview with Arabic magazine Al-Azmane Arabiyah published in Sharjah said, "We will export Islam to all countries, but it does not mean that we have any designs upon other territories.

Our aim is Islam not land."

In another part of his interview Ayatollah Montaseri, about the separation of politics and religion, said that since the first days of Islam religion was not separate from politics. The matter was brought up for the first time by non-Moslems and imperialists and that was in order to dominate the Islamic countries.

Ayatollah Montazeri, regarding the foreign policy of the Islamic Republic, said that Iran would be the friend of those who did not want to impose anything upon us or to make us its colony. "We do not want to put a wall around ourselves but would struggle against those who plot against us," he said.

He then concerning the countries of the region said that Iran would not interfere in the affairs of the countries of the region at all. We are interested to have relations with these countries based on friendship and cooperation, he added.

"We are not at war with the countries of the region but we are aware that some of these countries gave a lot of aid to Iraq."

He stated that our position with due regard to the other countries stance before us:

Except Iraq and countries waging war upon us—is open to review. He then stressed, "there would be no peace with Iraq and countries waging war on us. We have no hostility with the Iraqi Moslem nation—rather it was the Iraqi regime which started the war.

He concluded that unlike other revolutions that were followed by martial law, arrests, suppression of the press censorship, after the achievement of revolution all political groups, even the Communists, benefitted from freedom, of activities, demonstrations, and other legal freedoms.

Only groups who plot against the Islamic Republic and have connection with foreigners are not allowed to have activities. The borders of freedom in Islam limited once this freedom is used to conspire against Islam:

CSO: 4600/92

UAF BLASTED FOR DEMANDING THREE IRANIAN GULF ISLANDS

Tehran ETTELA'AT INTERNATIONAL in English 16 Jul 81 pp 1, 3

[Text] Under immense pressure from Saddam, Sadat and King Khalid, who are associated with the supreme influence of the U. S.-Israel policy, the United Arab Emirates (U. A. E.) was politically obliged to get involved in a dangerous, critical catastrophe, by recently assuming an antagonistic attitude towards the Islamic Pepublic of Iran and claiming possession of three Iranian islands.

Within the historical perspective, the authenticity of the political status of the U. A. E. would be justified amidst the historical domination of imperialism over the world. It is quite evident that the U. A. E. as well as Israel, are countries which have been newly imposed upon the Middle East region. After all, Iran, Saudi Arabia, South Yemen, Iraq and Egypt are the genuine nations in the Middle East, endowed with countries of historical inheritance.

As a matter of fact, the treacherous policies of the infidel belligerent Superpowers have made indispensable contribution to the advent of a new country, namely, the U. A. E. The expansionist colonizers should be questioned as to the origins of this newly-founded country.

On the other hand, we are aware of the fact that the U. A. E. has been dragged towards such a calamity, despite her reluctance, because a simple deduction will tell us that the declaration of war against the Islamic Republic of Iran will certainly jeopardize the socio-political security of the U. A. E. After all, the adaption of such a belligerent policy foreshadows the assailant attitude of the U. A. E. towards the other Arab nations in their aspiration towards the independent righteous path of Islam.

In the long run, the Arab nations are justified in being emancipated from the domination of the East and the Wast. In fact, the Iraqi imposed war has been a dastardly conspiracy contrived, in the guise of preserving the interests of the U. A. E. through the restoration of the three Iranian islands. Still, Saddam had the misconceived belief that, by a surprise attack upon Iran, he would be regarded in the Arab world as a heroic conquerer.

Furthermore, the avaricious temperment of Saddam would prevent him from sharing his phoney privilege with a trivial country such as the U. A. E. Moreover, Saddam is aware of the fact that the U. A. E. is not endowed with such an

overwhelming military potential as to pose a serious threat to the consolidation of the Islamic Republic of Iran. Thus, the autocratic ruler, Saddam, justifies his belligerent nature in terms of his military aggression against Iran.

Nowadays, Saddam's Ba'athist regime is doomed to ultimate collapse, the mightly fortress of his Government has been shattered. Consequently, the imperialistic countries are determined to substitute Iraqi military aggression with the political assailancy of the U. A. E. Thus, Saddam will be accommodated with the precious opportunity of withdrawing the Iraqi mercenaries from the war scene.

In this respect, the expansionist imperialists will be provided with a flimsy excuse to launch attacks upon Khuzistan in the guise of defending the U. A. E. along with the interests of the other Arab nations. Despite such a foxy policy though, the imperialist U. S. has never posed a serious threat to the security of Israel. It is no wonder that the occupying regime of Qods is metaphorically defined as a "dagger in the heart of the Arab nations."

Two years ago we predicted that the antagonistic policy of the U.S. toward the impoverished nations, especially the oppressed nations in the Middle East region, would ultimately metamorphosize the Persian Gulf in to the cemetery of the American mercenaries. We declare though that the devout Moslems are quite determined to safeguard the territorial integrity of Iran along with Islamic values. In quest of such sacred objectives, we are decisive in resisting to the last drop of blood.

Still, the U. A. E. should be aware that her new efforts are thoroughly futile, since they are in contrast with the pragmatic measures that the U. A. E. rulers, like the Iraqi authorities have adopted so as to substantiate their decrepit regimes with the assistance of the Egyptian and Jordanian soldiers. Consequently, it is more advisable for the U. A. E. authorities to concern themselves with social welfare and peaceful measures rather than with the instigation of a war.

It is an undeniable conviction that any military maneuver in the Middle East will coincide with the ultimate triumph of the suppressed nations over the imperialist politicians. Thus, the preservation of peace is quite indispensable to the survival of the U. A. E. whereby the U. A. E. will be able to maintain her political status with supreme honor.

The U. A. E. will only be able to achieve a peaceful, compatible existence by the adoption of a righteous, independent policy, whereby the opportunist U. S. and Zionist Israel would not be able to abuse the U. A. E. as a scape goat in quest of their expansionist objectives.

CSO: 4600/92

'TAGHOOT' --- A QURANIC TERM DEFINED

Tehran ETTELA'AT INTERNATIONAL in English 22 Jul 81 p 8

[Text] Every revolution has a specific culture and language according to which the nature and basis of that revolution can be understood, and its opposite trends can be identified and frustrated. It is, in fact, on the basis of such a culture that the criteria for revolutionary values and standards would become evident, and thus evaluations would remain immune from any deviations.

Among the terms employed during the Iranian Islamic Revolution, was "Taghoot". However, care should be taken in understanding the meaning of this word, its repercussions and those whom it includes. In the light of the fact that the nature of the Iranian Revolution is Islamic, therefore, revolutionary terms, expressions and slogans should be naturally studied from the ideological point of view. For this reason and in an attempt to recognize the meaning of Taghoot and its dimensions we get inepirations from the Holy Quran. Of course, in so doing, we try to make very shart analysis derived from the Holy Quran, otherwise a complete survey of the matter would need long discussions and debates, which could not be included in this essay.

Taghoot

The terms is derived from the word-"Toghian" which means the highest level of disobedience and violation. Therefore, Taghoot is referred to as a violator who rejects all the genuine traditions of life, that exist in connection with human perfection.

The Holy Quran has explained the term "Taghoot", and its dimensions and characteristics in eight instances. Here we briefly refer to them:

1. Taghoot, a Symbol of Mental Slavery:

"And (as for) those who keep off from the worship of the Taghoots and turn to Allah, they shall have good news, therefore give good news to my servants. Those who listen to the word, then follow the best of it; those are they whom Allah has guided, and those it is who are the men of understanding. (Sura Zumar, Verses 17, 18)."

In this verse, the worship of God and worship of Taghoot have been expressed and the most significant privilege of these two kinds of worship has been interpreted: in mental "freedom" and "slavery". The Quran has reminded us that the rejection of Taghoot and the inclination to worship God, depend on contemplation, insight and the power of recognition. Meanwhile, in other verses, the Quran says that the worship of Taghoot, Satan and idols, is due to the lack of insight and meditation. In conclusion, we can say that Taghoot, in an attempt to preserve power for exploitation would also try to keep people removed from realities and truth, so that 'it' could impose on them 'its' words and thoughts. In this connection; to foil this ominous objective, a comparison between words and conceptions would be valuable.

2. Taghoot; an Agent of Reaction:

"Have you not seen those who assert that they believe in what has been revealed before you? They desire to summon one another to the judgement of the Taghoot, though they were commanded to deny him, and the Satan desires to lead them astray into a remote error. (Sura Nisa, Verse 60)."

This verse clearly describes the process

of breaking down ideological revolutions and the regresson to Taghooti procedures and sovereignty. In other verses, a thorough description has been given on the role of hypocrites who are symbols of reaction and who always try to prevent the progress of ideological measures through their reactionary tactics. It has further referred to the rule of justice and equity, which owes its power to obedience to the leader and the preservation of unity. To get an overall view, we can say that hypocrites (hidden taghoots) intend through spending money and by resorting to instigating acts, to break down the leadership and introduce self serving changes in policy and stands, to violate the divine systems and turn the "revolution" to "reaction." By so doing, they would lay the grounds for reinstating the great taghoots into power.

In defining "reaction", we can say that reaction is the revival of false traditions of exploitation, dictatorship, and colonialism, in any form and appearance they might be: Inversely, the revival and return of pure traditions and the hidden realities of life which exist in the statements of the Prophets, not only is not a reaction but is, in itself, a source of progress. However, the revival of the policies of colonialism and dictatorship, which are based on lies, tyrannies, crimes and provocations, is considered a reactionary and taghooti maneuver whether in Eastern or Western form, and whether it is rightist or leftist.

3. Taghoot, a Manifestation of Eclecti-

"Have you not seen those to whom a portion of the Book has been given? They believe in idols and false deities and say of those who disbelieve. These are better guided in the path than those who believe. (Sura Nisa, Verse \$1)."

In this verse, eclectic programs have been considered a factor in assuming Taghoot. There are people who implement some ideological knowledge, on the basis of idolatry. They are neither familiar nor unfamiliar with all the ideological realities; and these hybrid thoughts pave the way for the sovereignty of Taghoot and its worship. First, they believe in different idols and then in Taghoot. It is for this same reason that taghoots in history have never opposed the various kinds of idolatries, because the latter is an

introduction for the worship of the

In conclusion, it could be said that Taghoot, with its multicolored countenance, that is, a partially religious partly atheistic view and by taking advantage of eclectic thoughts and programs, would lay the ground for the establishment of its sovereignty, assisted by the society's "small taghoots."

4. Taghoot, Origin of Compulsion, Source of Fraud:

"There is no compulsion in religion; truly the right way has become distinct from error; therefore, whoever disbelieves in Allah, he indeed has laid hold on the firmest handle, which shall not break off, and Allah is Hearing, Knowing. (Sura Bagara, Verse 256)."

In this verse, the basis for the worship of God and Taghoot has been described in connection with three things, namely compulsion, deception and weakness. In worshipping God, there is no sign of any of these qualities. There is no compulsion in religion and there is no deceit in actions, and no infirmity and weakness in effects.

5. Taghoot, Cause of Darkness and Gloom:

"Allah is the guardian of those who believe. He brings them out of the darkness into the light, and (as to) those who disbelieve, their guardians are satans who take them out of the light into the darkness; they are the inmates of the fire, in it they shall abide. (Sura Baqara, Verse 257)."

257)."

This verse refers to gloom and the spread of darkness in the society, as one of the characteristics of Taghoot. By spreading darkness and obscurity in human minds, Taghoot promulgates wretchedness in an attempt to hide its own ugly face.

6. Taghoot, an Agent to Metamorphose Human Beings:

"Say: Shall I inform you of (him who is) worse than this in retribution from Allah (worse is he) whom Allah has cursed and brought His wrath upon, and of whom He made apes and swine, and he who served the satan, these are worse in place and more erring from the straight path. (Sura Maida, Verse 60)."

Taghoot tries to destroy man's independence by inspiring decadent ideology in his mind, infecting him, and thus torcing him to give up unconditionally.

Taghgot, Conspirational and Deceitful:

"Those who believe fight in the way of Allah, and those who disbelieve fight in the way of Satan. Fight therefore against the friends of Satan surely the strategy of the satan is weak. (Sura Nisa, Verse 76)."

Satar has taken form in the body of Taghoot, whose whole being is complete devilishness and full of conspiracy. However, Taghooti conspiracies, even though inspired by suitable expertise, are weak and infirm, because they misinterpret the realities of life.

8. Taghoot, Liar and Deceiver:

"And certainly, We raised in every nation an apostle saying: Serve Allah and shun the Satan. So there were some of them whom Allah guided and there were others against whom error was due, therefore travel in the land, then see what was the end of the rejectors. (Sura Nahl, Verse 16)."

This verse refers to Taghoot as an origin of perversion. Therefore, in an attempt to cause confusion and utmost perversion, Taghoot endeavors to denigrate religious beliefs and thus quell the religions ideas of the people.

By utilizing these eight verses on "Taghoot" from the Holy Quran, it is now understood that Taghoot, contrary to the imagination of some people is not restricted to dictators and butchers like pharachs, Caesars, kings, Hitlers, and so on. Rather, Taghoot is any filthy element, who, by resorting to conspiracies, deception, provocation and taking advantage of myriad ideologies tends to break down the pure cultural, military, political and social foundations and cause sedition, panic discord. confusion, and constraining of righteous action in the society.

Therefore, the Muslims are duty-bound, according to their ideological mission, to keep away from such elements, and eventually to fight against them, regardless of their being rightist, leftist, Western, Eastern, internal or foreign, so that crimes and disturbances would be eliminated and that all the programs would become divine.

CSO: 4600/93

RAMADAN DISCUSSES EFFECTS OF WAR

London 8 DAYS in English No 28, 18 Jul 81 pp 13-15

Iteterview with Taha Yassin Ramadan, first deputy premier, member of the Baath national and regional leadership, and C-in-C of the Iraqi Popular Army]

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Question: I wo years ago, when I last spoke to you, Iraq was infprivileged position. The Baghdad summit had given it the leadership of Gulf and anti-Camp David Arab countries, while the non-aligned summit scheduled for 1982 in Baghdad was to grant it a prominent position in that movement too. Then came the war with Iran and a certain degree of isolation. How do you assess the situation now?

Answer: I do not think that the situation you describe suffered major changes, however much our enemies would like to believe it. On the contrary, developments such as the war have consolidated it by confirming — in trying circumstances — the firmness and coherence of our policies. The non-aligned movement welcomed evidence that we are not subject to any superpower. The Arab nation had its faith in us confirmed by the ways we were prepared to defend it against all aggressions.

In front of the Arab masses, and I deliberately say masses and not governments, our role has been vindicated. We do not seek any leadership. It is a matter of polarising Arab expectations and will, and this stems from our political line, not from any quest for leadership. We have never been isolated. The war has made us stronger both among the Arabs and the non-aligned.

There has certainly been an improvement in inter-Arab relations, manifested particularly by the apparent thaw between iraq and Syria, and by the visit of Libyan number two, Major Jalloud. Can you comment on the latter?

It has been a preliminary contact and not much can be said about it yet. Libya might have realised that Iraq does not only fight for itself, but for the entire Arab nation. But practical effects of this have not materialised yet. Should they take place, we shall appreciate and applaud.

Foreign commentators are often confused over your international alignments. You, on the other hand, always insist on your absolute independence from both superpowers. How have recent events, such as your own visit to Moscow and Iraq's call for a general Arab boycott of the US, affected this stand?

In Moscow we have indeed found a positive atmosphere and a genuine desire to maintain friendly relations. We discussed the cooling of our relations in recent months, we told them what we thought of their attitude on the Iraqi-Iranian war, and we exchanged points of view on other matters.

I can say that all this has really been very fruitful. The result was a much better understanding of our respective positions in the framework of a renewed spirit of trust and confidence. Final results may not have been at the level of our expectations, but they certainly represent a great step forward.

And does your call for a boycott indicate a worsening of relations with Washington? Is it realistic?

We certainly want the call to have practical repercussions. So far, however, nothing has been done in this respect — and on the basis what we understand of the

Arab world, we do not expect much to happen.

it is the overall Arab position that needs correcting. Had there been a firm and united Arab position from the start. Iran would not have waged war against Iraq, the Israeli raid would not have taken place, and the US would not have been able to adopt its present policies on the Arabs, nor to apport Israel unconditionally

Such a firm position demands an overall economic and political boycott of the US. The US had long built up Iran as an American base against the Arabs, and Iran has now med to carry out its US-assigned 11:15514111

What do you find more worrying, the presence of Soviet troops in Afghanistan, or of US troops in Oman, Diego Garcia and on the Awaes overflying Saudi territory and possibly guiding Israeli aircraft against Arab targets?

Our policy is constant and clear. Iraq is against any interference from outside powers into the affairs of the Arab nation. We expressed our condemnation of the Mghanistan intervention and have always in companist US bases.

i his policy is not going to change. Our president made as much clear in his eight-point Arab charter of last February. Any loreign presence in a country threatens war and destabilises the area. It does not protect anybody, but rather calls for more foreign intervention.

Do you think that world reactions to the Tammuz bombing represent a shift in international attitudes on Iraq and the Arab-Israeli conflict?

We have greatly appreciated these reactions supporting Iraq and condemning Israel. Our policy on scientific and technological development will remain exactly the same - if anything, the bombing has strengthened our determination. Our traditional friends have confirmed their support and aid for our plans.

We have also learned a lesson. Our partners in this process will be more diverse and numerous. The weaknesses that permitted the raid will be removed.

The hombing proved two points worldwide. For one, that Israel is not a peaceful country seeking secure borders. but expansionist and aggressive, an entity implanted in the Middle East to carry out aggressions against the Arab nation. Secondly, it showed that Israel, a minority in the area, could impose itself on the majority, the Arabs, because of its control of science and technology. Now everybody knows that only science and technology can redress the balance between the Arabs and Israel; and the Arabs have learned that only Iraq is serious in its determination to do something about this. There is no gap between slogans and oc . here

Saddam Hussein has just called for the industrialised world to help the Arabs acquire the bomb. Do you not think that such a call may justify zionist charges that Iraq was always after nuclear weapons, and may thus embarrass your suppliers of

nuclear technology?

In fact the president did not precisely make such a call. He merely stressed that Israel has always lived by blackmail. There is a balance between the two blocs, and the Arabs' friends should help us to put an end to Israel's blackmail. The Arabs want to discourage Israel, not to destroy it. As to Iraq, we stick to our loyal commitment to IAAE rules and controls.

What is the outlook for the war with Iran? Is

an end in sight?

The end or continuation of the war does not depend on one single will, but on both sides in the conflict.

Do you think that the ousting of Buni Sudr and the subsequent turmoil in Iran are going to affect the war?

The events involving Bani Sadr and Beheshti are only a beginning. Given that Iran is losing the war. Buni Sadr's successors will be held equally responsible as he. In our view, this is the start of a civil war in that country. It shows that those who wanted the war against Iraq acted against the will of the Iranian peoples. All we hope for is that Iran may find a reasonable and wise ruling group, capable of governing, restoring the economy, and promoting development in the service of the people. In this case. dialogue would become possible and a solution easily be found.

A new US Arab strategy seems to be taking shape. It consists of the establishment of a belt of pro-western regimes through North Africa down to the Gulf. What is Iraq's response to this?

The US presence in this belt is not new. Recent events have only emphasised it. Our position is not new either. It has been repeated from the Baghdad summit to the president's statement of 8 February, calling for a ban on all foreign military presence and for a minimum common Arab stand on this.

There is, a big difference between friendship and accepting a foreign presence on your soil. The only solution is the Arabs' solidarity among themselves.

In rejecting superpower tutelage, Iraq has long been seeking privileged relations with Europe. In the light of recent developments, including the strengthening in Europe of forces friendly to Israel and Camp David, how does this policy fare?

Arab policies towards any country cannot be dictated by reactions to this or that event, but must be constant and based on overall factors. The change that has taken place in France is a deep one. Yet our relations are not affected, for they are between countries and not between factions.

CSO: 4300/64

DEVELOPMENT DISCUSSED IN LIGHT OF WAR

London 8 DAYS in English No 28, 18 Jul 81 pp 10-13

[Article by Fulvio Grimeldi]

[Text]

IRAQ'S PAPERS and television news bulletins are crammed with reports from the war, battle scenes, the departures of army or militia contingents to the front, and images of Saddam Hussein decorating soldiers. Dispatches from the battlegrounds offer little variation from one day to the next: Iranian losses usually range between 200 and 300, with the occasional jump to 600, while 'Iraqi martyrs' rarely exceed 20 or 30.

However, since the figures given for destroyed Iraqi equipment have more than once exceeded that lost by Iran, these bulletins are considered basically trustworthy by foreign correspondents. The higher kill rate given for one side is explained away through the different interpretations of military matters.

Iraqis follow the news from Abadan, Kasr Elshrin, Ahwaz or Dezful with evident interest. In the national conscience, the identification with the war and its problems is deep and widespread. But the ten-month old conflict does not affect the average Iraqi's life strongly, either psychologically or materially, and foreign visitors have difficulty in detecting any manifest sign of it in Baghdad or elsewhere. The decreasing number of Persian pilots, and the many aircraft lost so far in the conflict, have made air raids a distant memory for most citizens—except those in Basra, which is within range of Iran's 205mm artillery at Abadan.

The rubble from earlier bombing strikes has been removed, and today the only signs of air activity over the capital are the red balloons put up to trap attacking planes. Life goes on as usual in all respects and Iraqis have, to all intents, learned to live with the war. The price of basic commodities has risen only slightly and consumer goods are generally available. In the splendid holiday cottages of Habenieh. one of the Baghdadis' favoured weekend resorts, weddings are still celebrated, and nothing seems to be bothering the large—and proud—families visiting the exhibition of captured war material at Zawra Park.

Within Baghdad itself, preparations for next year's eagerly awaited non-aligned summit, which will hand over the chairmanship of the movement to President Saddam Hussein, are to be seen in new bridges, roads, subways, and huge public buildings in attractive Arab style. Journeys into the countryside offer similar impressive vistas of activity, possibly even more hectic than before.

Indeed, the whole country seems to be one huge building site. New farming villages, industrial plants, and residential districts — all with the inevitable children's playgrounds — line the highways, manned by the same Finnish, Italian, French or Yugoslav teams. Several of them went home at the outbreak of the war, but have now returned.

The scenery is occasionally blocked by long queues of trucks carrying equipment or consumer goods all the way from Romania. East and West Germany, and Scandinavia. With the war virtually at a halt, attention has returned to the business of development. On the other hand, the widely reported breakdown of Iran's

economic, social and political structure fosters a general mood of calm and confidence - however much it is the "Persian priests' that are singled out for contempt and resentment, as opposed to the 'Iranian peoples', who are basically pitied.

Such a mood is spiced with the unavoidable flow of jokes and anecdotes. Have you heard the one about that recently captured medical officer who was travelling along the road from Ahwaz to Abadan, and confidently told a baffled Iraqi patrol that his three million dinars were to pay the wages of the Iranian troops in . . . Basra?

Another, less amusing yarn, concerns a Phantom shot down over Baghdad, from which only one of the two pilots ejected. Asked where his comrade was, the surviving pilot explained that, being a pasdaran (Khomeini guard), he had

preferred to fly on to heaven.

It is the secular outlook of the Iragis, after 13 years of Buath rule, and the priority they consequently give to present life and deeds. which lies at the bottom of this serenity and determination. Outside observers have often announced Saddam Hussein's imminent downfall as a consequence of this or that setback, such as the war's endless grinding on or the humiliation of the Tammuz bombing. Why this did not occur was explained to 8 Davs by Tariq Aziz, the regime's number three, with the customary description of a people which, after the years of progress and renewed dignity, greatly identifies with its leadership.

But there is more to this, he told 8 Days. It is a characteristic of ours to forget individual misfortunes in the moment of crisis. Furthermore, by beating the Iranians from the first week. Iraq attained the first-ever victory of the Arabs in modern times. This has given all Arabs self

confidence.

The rising rates of investment, production and productivity support such an assessment. The country's trade, as the minister in charge of it, Hassan Ali, told 8 Days, has never suffered from the negative effects of the war. Allocations for the import programme have risen this year by 25.6 per cent, 20.5 per cent of it going on consumer goods and 44.5 per cent on capital goods. The war has allowed for a further extension of the public sector (32 per cent trade 40 per cent industry) to the

detriment of the private sector (2 and 5 per cent respectively).

Leaving aside oil, the minister added. exports of fertilisers, blankets, tractors and cigarettes have decreased - in favour mainly of dates, where an excellent crop is expected this year too - but will still generate some \$40m in revenues. The Baghdad international fair, slated for October, "!! be bigger and more diversified than ever, he concluded, and has had its site

expanded.

This optimism is shared at the planning ministry, where Sabah Kachachi, former director-general and now adviser to the minister, proudly points to the investment figures. The 1981 development programme was allocated \$2.5bn, which is 30 per cent more than in 1980. 'If it surprises people that we manage to invest more in war than in peace,' he comments, 'it is because they do not realise that not all developing and oil-producing countries put all their eggs into one basket."

Kachachi continued: 'I would not claim that the war had no effect on the economy. But after many months of war the effect. particularly on development projects, has been minimal. The reason for this is that both our development programmes and capabilities have a much deeper dimension than is usually thought. Indeed, certain aspects of the war were even positive, inasmuch as it made as pull out a bigger

effort to prove ourse . s.

Adjustments in de elopment priorities have naturally had to be adopted, but not to the extent generally anticipated. Some less crucial sectors - infrastructure, for instance - had to suffer delays. 'The reason we manage to hold out,' said Kachachi, 'is the flexibility of programmes which has always marked our planning. Rcadjustments may have put back this or that project, but they did not affect either overall targets or the intensity of development.

Israel's bombing of the Tammuz nuclear reactor has produced a unanimous reaction: Iraq has a perfect right to develop its nuclear technology and catch up with Israel on behalf of the entire Arab nation' Kachachi concluded: 'Nobody will ever draw the line for our development, whether at plastics, blood plasma research or nuclear

technology. Never.'

CSO: 4300/64

FUND ESTABLISHED TO AID WAR VICTIMS

Baghdad BAGHDAD OBSERVER in English 13 Jul 81 p 2

[Article by Akram Dhannoun]

[Text]

A special fund was recently established to the benefit of victims of the Persian aggression on Iraq in response to country-wide requests to regulate the flow of donations from Iraqi and Arab citizens.

Mr. Husham Hassan Tawfiq, under-secretary of the ministry of finance said that popular demand to donate funds in support of war victims and the necessity of regulating receipt and channelling such funds had provided reason for the creation of the fund.

He said that thousands of applications and letters were sent directly to the President of the Republic and to the Diwan of the Presidency of the Republic urging that a specific body be named to which such funds could be addressed.

Many applicants were from among citizens of other Arab countries asking to be permitted to make their own contributions to families of the martyrs and the fighters and in order to assist in the war effort against the racist Persian enemy. They re-

iterated that such contributions would only be a humble gesture to appreciate the role of the victims and the fighters in defence of the homeland.

The under-secretary, who was speaking to the Baghdad Observer, added that a decision was, therefore, made to create the fund. A high committee was formed and provincial committees went into operation for the purpose of collecting contributions offered by Iragis and Arabs inside the count-

"No sooner than the committees started work, thousands of Iragis and Arabs resident in Iraq began to hand in their financial contributions. There have been contributions represented even the savings of children", he said. Committees were then set up in all Iraqi embassies and reports from these committees speak of extremely positive results with contributions coming from Iraqis and Arabs abro-

The under-secretary said that contributed money were being remitted systematically to the special fund which now has its headquarters in Baghdad. These money are channelled in the form of financial grants to families of the martyrs and to those affected in any way by the Persian aggression.

"The contributions thus made are in fact more of a social assistance rendered by citizens in expression of their sharing in the sufferings of families of the martyrs and appreciation of those soldiers injured in the fighting whilst repulsing the persian aggression and to help those whose property was damaged by the aggressors", said Mr. Tawfig.

He indicated that the revolution by its laws had already secured full material and financial redress to those families and to injured soldiers. The full financial compensation provided by laws has already fully cov-

ered all affected families and persons.

"The fund is only created in response to the massive popular demands. It will now provide additional financial support to repair whatever material damage caused and to reward families of the martyrs and wounded soldiers". he said.

"The fund's regulations ensure compensation for damaged property with effect from the date the damage was inflicted beginning from 4th September 1980, the date on which the racist Persian aggression started against Iraqi border towns"

According to the ministry under-secretary, compensation is paid in proportion to the amount of damage caused to persons or property. Compensation committees of the fund are now investigating and assessing damage caused to citizens. Their reports are sent to the fund higher committee and the latter recommend provincial committee assessment for approval by the first deputy prime minister. With regards to compensation in cases of martyrdom or physical injuries, the related family or person is compensated directly by the provincial committees without needing to obtain further approvals. The fund has no timelimit and will continue operational as long as the Persian aggression countinued.

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IRRIGATION EXPERIMENTS DISCUSSED

Baghdad BAGHDAD OBSERVER in English 11 Jul 81 p 4

[Text]

Agricultural authorities in the autonomy region have been actively seeking the most advanced and scientific methods of agriculture and irrigation in a massive drive to effect an gricultural take-off in the northern provinces.

There. was soon discovered. that drip and spray methods of irrigation could be instrumental in achieving such an agricultural revolution. This method of irrigation, it was realized, provided the most efficient and productive method of exploiting the water supplies. The sparing use of water meant that wide areas of arable land could be irrigated.

A pilot project utilizing this method of irrigation is already underway in Zakho. Duhouk Province. This project is made of two adjacent units, the first covering 1560 donums (1 donum-2500 sq.m.) to be irrigated

by spray methods while the second, covering 200 donums, is to rely on drip irrigation.

The project is fully supplied with spray equipments, as well as other machinary for different stages of the agricultural process. Already, 1000 doums out of the 1560 donums of the spray project has been tilled with various seed crops, including beens, peas and melons.

The drip method is used to irrigate 200 donums of orchards. According to this method each tree will receive no more water than what it actually needs. This of course will vary according to the tree's age. alredy 100 donums to be irrigated this way have been planted with peach seeds.

An ambitious wide-scale application of this method of irrigation in Duhouk is planned, which is to cover 15 thousand donums in Slivani Plain and another 15 thousand donums in Sumail plain. Other studies are looking into the efficacy of applying this method of irrigation to a big irrigation project in Zakho which could cover 43 thousand donums.

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ROAD, HOUSING PROJECTS COMPLETED

Baghdad BAGHDAD OBSERVER in English 6 Jul 81 p 4

The Ministry of Housing [Text] and Construction will complete this year 1300 kmlong network of roads a cost of over 101 million Iraqi Dinars, Mr. Mohammed Fadhl Hussein, Minister of Housing and Reconstruction said on July 4.

Mr. Hussein told Iraqi News Agency that the Ministry had earlier embarked on constuction of nearly 9000 km long network of roads spread all over the country at a total cost of 640 million digars.

He sided that work was underway to build 20 bridges costing 171 million dinars, 12 of which would be complete this year. Work was also underway on 6 large road junction projects in Baghdad and other provinces at a cost of 75 million dinars.

As regards to the 1300 km long eastern express way, stretching up to the Syrian, Jordanian borders, to be built at cost of 120 million dinars, the Minister said that work was already underway in 8 stages out of the project's 10 stages. The remaining 2 stages will be soon awarded to international specialist companies, he said.

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The Minister announced that the first stage of a second express way, which begins from Baghdad and stretches northwards up to the Turkish border, will soon be put to tender and so will the tender for the first stage of the 60 million dinars road of Baghdad-Abu Ghraib.

(Housing)

With respest to housing the Ministry had completed the construction of over 7 thousand housing units spread over 16 provinces at a cost of over 72 million dinars and there are another 9 thousand units costing 26 million dinars still under construction, he explained.

He also noted that the Ministry was expanding its capacity in the field of prefabricated housing plants. Presently three new such plants are being built, which will enhance the speed of house construction as well as improve their quality and effect saving in construction labour and materials.

On the same level, the Ministry had built a number of mobile and fixed intermmediate construction material plants.

REVOLUTION ANNIVERSARY MARKED BY NEW PROJECT ANNOUNCEMENTS

Baghdad BAGHDAD OBSERVER in English 8 Jul 81 p 4

Unions and state departments all over the country continue their preparations to celebrate the 13th anniversary of the July 17 Revolution.

The Ministry of Endowments and religious affairs will celebrate the occasion by opening a number of projects built at a total cost of ID. 8.5 million. These include a number of residential multi-storey buildings and a rest house in Baghdad and another in Nineveh province, a hotel in Kerbala province, in addition to 20 mosques in the Northern provinces of Sulimaniyah and Arbil.

In the Northern province of Dohouk, 4 million dinars projects will be opened, and the foundation stone for others costing ID. 5 million will be laid down. Among the projects to be opened are a marketing centre, a textile factory and numerous service projects. Moreover, the province is preparing a number of sport and art programmes and other social activities on the occasion.

The Agriculture and agrarian reform board in Arbil province submitted a number of projects for tend-

er, at a cost of ID. 300 thousand.

These projects, which should be completed within a year, include two veterinary hospitals with houses, two marketing centres, a warehouse of 500 tonnes capacity, and a stable.

More projects costing 1.5 million dinars will be opened in Babylon province including among others, a tourist hotel and service projects. The celebrations will include laying the foundation-stone for schools and village electrification projects. On the other hand youth and students of Babylon are preparing art and culture festivals and other activities on the occasion.

Similar activities and programmes, will take place in other provinces to mark the occasion.

Meanwhile, the Irrigation Ministry inagurates a number of projects and starts work on several others in commemoration of the July Revolution. These include seven pedestrian bridges at Hindiya district and nearby regions; eight houses for irrigation employees in Kerbala, and two others in Mahaweel. The Projects on which work will begin, include coating Sardawe canal, regulating

the second stage of the Shaqlawa drainage canals; the Salameyah irrigation project and six dams in Qadissiya province.

Foundation stones will also be laid for a rest-house for Irrigation employees in Shaqlawa; a house and office building for Irrigation units in Kerbala Province.

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'HA'ARETZ' EXAMINES BEGIN 'DOCTRINE'

TA191238 Tel Aviv HA'ARETZ in Hebrew 19 Jul 81 p 9

[Commentary by Ze'ev Schiff: "The Begin Doctrine"]

[Text] After the destruction of the Iraqi nuclear reactor, the prime minister and minister of defense, in his statements, set a new and unambiguous rule in Israel's security policy. Mr Menahem Begin repeated that Israel would not permit the Arabs to equip themselves with weapons intended for mass destruction. It was clear that he was not only referring to his period in office as prime minister. On one occasion he sand that, by destroying the Iraqi reactor he had set a precedent for any future prime minister of Israel. This is a new doctrine. It means that Israel will regard an Arab attempt to produce nuclear arms as an act of war. It is worth noting that Begin, in his remarks, did not restrict himself only to nuclear weapons. He spoke about weapons intended for mass destruction, and this makes matters far more difficult for Israel. From this it follows that he was obviously also referring to lethal biological weapons capable of hitting a large population and lethal gases that could also be used as weapons for mass destruction. In the nuclear field, it was Iraq that took the first steps, but, in the field of chemical weapons, the Arabs have already taken various actions. Egypt was not content with the use of gas in the Yemen war, but got down to the manufacture of certain types of gases. Before the Yom Kippur war, it took the trouble to transfer quantities of gas to the Syrians.

The question is whether Begin's doctrine can be put into effect, especially as it covers such a broad field. Following the daring and "clean" air force operation against the Iraqi reactor, Israel's deterrent power against the Arabs has increased. That operation will leave a deeply etched impression on the Arabs for a long time. Israel's image of being capable of being "unbalanced" and taking the most drastic steps will increase in Arab eyes. For some time various experts have been claiming that over the last few years Israel has begun to seem to the Arabs—particularly after the peace with Egypt—as too cautious, giving too much consideration to the risks it takes. The overexposure to the Egyptians, in both the social and security fields, also cut down on the size of Israel's deterrence. The destruction of the lraqi reactor will block this trend. The Arabs and their supporters will again draw the conclusion that there is also an unexpected element in Israel's reactions and that it is sometimes capable of acting as an unbalanced country when it is a matter of existence, the physical security of the country and the people.

This is one of the positive results of the bombing of the reactor especially when it is clear that, because of the new U.S. strategy, Washington will flow enormous quantities of modern arms to Arabs and in a few years the qualitative gap will decrease from 1:3 to 1:5 or more to Israel's disadvantage. The danger also springs from the fact that, parallel to the massive supplies of arms, Saudi Arabia will succeed in influencing the United States not to incorporate Israel in the regional arrangements and to leave it "outside." Therefore, it is for all sides—including Saudi Arabia, which declared a jihad against Israel, adding that it would finance the establishment of a new nuclear reactor in Iraq—to know that Israel is capable of an unexpected move if it is pushed into a corner and its calm is undermined. The Arabs describe such moves as unbalanced (inter alia, they recall threats by Israelis to bomb oil wells in Saudi Arabia), but, in reality, it is not unbalanced if it is a question of a comprehensive strategy, of unbalance committed with wisdom.

Whatever Israel's deterrent power, it is clear that it cannot solve all the security problems confronting it. This is only a partial answer to the doctrine defined by Begin. Even if we were a superpower, it is doubtful if this doctrine could be used. The process of producing weapons of mass destruction can be held up, disrupted and a very high price can be demanded from those who involve themselves in it, but it cannot be entirely prevented. How can we know if Arab countries will not try in the future to make bad use of the reactors they establish? And how can a secret process of producing nuclear weapons, far from the reactors, be prevented? It is certainly even more difficult to prevent the maintenance and storage of poisonous gases or biological arms. Even from the geographical viewpoint, it is hard for Israel to actualize such a doctrine when there is the possibility of Arab cooperation with a country as far away as Pakistan. And what will we do if the Soviet Union positions nuclear arms in an Arab country, as it has done in Europe? An excellent air force is a long-range strategic arm, but even the best air force cannot give the answer to every problem arising in this field, particularly in view of the technological developments expected in the next few years. It is worth assuming that after the destruction of the reactor, everything will be done in Iraq to close the gaps in the field of aerial defense, and the same applies to Saudi Arabia (which will in the future be equipped with AWACS aircraft) in whose airspace the Israeli planes have been flying.

The reference, then, is to a doctrine of suspension and from this it follows that we must assume that some time in the future the Arabs will succeed in obtaining nuclear weapons. In the meantime we have certain advantages, but it is clear that the ideal solution to this is not fighting, but a stable peace and regional settlements.

The struggle does not only take the form of fighting. We will also be forced to face difficult political and publicity competition. The Israeli weakness in this field is, to no small extent, caused by its refusal to sign the nuclear nonproliferation agreement. It is difficult to explain why the country that has not signed the agreement has destroyed another country's nuclear reactor, a country that allowed supervision by the International Atomic Energy Commission. Here we have a contradiction. We claim that it is possible to get out of the agreement by an announcement made several months in advance. If this is so, many are asking, why is Israel refusing to sign it? The trouble is that our publicity in this field is too slow, too academic in its approach and too often handed over to people who have an

inclination toward exaggerated underground tendencies creating an impression in advance that our whole intention is to conceal something.

Almost the only positive step taken in this field is the proposal put forward by Foreign Minister Yitzhaq Shamir at the previous UN General Assembly in September 1980 for nuclear disarmament in the area. The intention was a regional disarmament, modeled on that in Latin America, in which countries that did not sign the nuclear nonproliferation treaty are also partners, and this also includes a guarantee by the two superpowers not to position nuclear weapons in the area. Shamir proposed the convening of a regional conference on this topic, but the Arab countries did not give any reply to the proposal. Iraq turned it down outright.

Before Israel destroyed the Iraqi reactor, almost no serious debate was held about Israel's existing possibilities in the nuclear sphere. The argument, if one can call it an argument, has mainly been held between professors. Apart from Moshe Dayan, there has been nobody in the government who has been prepared to say a word on the issue. It is clear that, on this issue, there is an unnatural repression: it would be a mistake to think that this ignoring [of the matter] conceals behind it an Israeli nuclear strategy. Israel has no nuclear strategy. It has a politicalnuclear view expressed in its decision not to sign the treaty and to persist in its policy of not being the first to introduce nuclear arms into the area. But this is not a strategy, or even the beginnings of a strategy. It is sufficient to compare Israel with a country such as Sweden, for example, in the sphere of atomic diversity and the plans for national stability. In this sphere we are not even in grade one. An underground store of gas in large caves, as recently presented in the center of the country, is only a first step, and a small one, in this sphere. Plans are lacking and the absence of an argument is tangible, particularly toward a period in which the issue will be raised, either as a part of the new doctrine laid down by Menahem Begin, or as an essential issue in any regional settelment and peace agreement.

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TZIPORI, GUR INTERVIEWED ON LEBANON RAIDS

TA172018 Jerusalem Domestic Television Service in Hebrew 1815 GMT 17 Jul 81

[Interview with Deputy Defense Minister Mordekhay Tzipori and Reserves Lt Gen Mordekhay Gur by military correspondent Dan Semama in the television studio--17 July, videotaped]

[Text] [Semama] Mr Tzipori, this afternoon the air force attacked the terrorist organizations' command headquarters in Beirut for the first time. What has happened now, that a decision was made to attack the command headquarters inside Beirut, inside a populated area?

[Tzipori] First, we had already attacked the command headquarters some years ago; it is true that it was with an infantry force that reached there somehow. The decision to attack the command headquarters was made in view of the fact that those command headquarters are the operational center for all the terrorist bodies, both as concerns the state of Israel and its inhabitants and as concerns Jewish institutions throughout the world or, other elements in the world, not only Jews. And then, as it were, a situation was created that within Beirut which, as it were--Beirut should be ruled by the Lebanese authorities -- murderous people are sitting, with complete security, sending murderers against the state of Israel and others in the world, taking upon themselves the responsibility for the acts of murder and they are, as it were, defended and we, because of our great sensitivity to the issue that, heaven forbid, civilians should not be harmed, were very cautious and we reached the conclusion that we must hit the heads, altogether in the places which give the terrorists the cover and give cover to their command headquarters; they take the responsibility upon themselves. And, in view of their great strengthening and the power of the indiscriminating actions, including today's hit at the Nahariyya hospital too, at the maternity ward; it was decided to deal with the heads and that is what happened.

[Semama] That is, this means a change in Israeli policy and attacking terrorists even if they are located in populated areas?

[Tzipori] This is not a change in policy. We will try, as far as possible, to avoid hitting civilians, but if they want to receive the cover of the civilians for acts of murdering Jews, we will have to act against them, and we hope that those civilians within whom they are trying to mix in will condemn them.

[Semama] Yesterday the chief of staff said: We will hit the terrorists even if they settle in civilian centers, and there was indeed today's action. Do you not fear, or think, that there may be a very severe diplomatic, political reaction after this attack?

[Gur] In the past, too, we were sometimes forced to hit terrorists when they settled in population centers. On almost all the borders. From now on, the question really is one of both the quantity of casualties and the political howl various countries in the world want to set up. For example, Carter's administration, for much smaller things than that, would send up shrieks to the high heavens. Reagan's administration understands us much better and it understands Israel's compulsions much more fully, but I assess that, if there are many casualties, a political question of first degree will arise. Undoubtedly it will also arise with us, in its moral aspects which have always been our guiding light, but each time that this returns again it again brings this question up in a sharp form. I would propose that we prepare for a political situation that could be a completely new one.

[Tzipori] Recently, over the last few months, there has been an enormous strengthening there. Libya, the Eastern Bloc countries, Syria, have armed these terrorists with more sophisticated weapons—for example, Katyusha launchers carried on vehicles, with 40 launchers, 21 launchers; they have received heavy artillery such as that artillery which has shelled Nahariyya over the last few days, 130 mm artillery; they have received tanks. A great strengthening. We have seen how a greater danger has been building up and do not need this danger to be inside our homes before we deal with it. Therefore we have begun more massive actions in order to prevent in advance the possibility that all this strength should be thrown against the citizens of the state of Israel and we would have to deal with this, how can I put it, post factum.

[Semama] But are you convinced of the efficacy of those actions, after, in fact, we have seen the script? We act and they attack and we act again and they attack again.

[Tzipori] I am not convinced of the results of the actions there have been to date, but I am convinced that we have several other solutions in our pocket and if this message we are giving them is insufficient for them to stop their attempts to murder the citizens of Israel, we will have another message.

[Gur] To reach a situation in which no katyushs will fall on the Galilee panhandle or on Qiryat Shemona or on settlements, moshavim, kibbutzim along the border—this requires action on a much broader scale. I am not sure that this is the intention, but, as I said earlier, if the speed and strength of the operations, from both sides, goes on like this, there may very well be developments which nobody wants today.

[Semama] Mr Gur, do you think that the government of Israel, after the recent IDF actions, has adopted a certain policy? Are we moving in the direction of total, physical extermination of the terrorists, if this is at all possible, or, perhaps, is there more long-term thinking, that is, some sort of a political settlement which would solve the problem?

[Gur] Let us begin with the fact that I hope that the intention is to reach a political settlement, because to reach a total extermination of terrorists is impossible unless we really conquer the whole of Lebanon, or bomb on a scale beyond what is reasonable for the state of Israel and the IDF. It is impossible to solve the Palestinian problem only by using force. It is impossible to solve the problem of the Syrian presence in Lebanon only by using force, because then it will be a question of war on a much wider scale. So, I believe and hope that Israel's aim today is to explain to both the Syrians and the terrorists that we will not accept the situation that has been prevalent over the last few weeks and they must take their fate into their own hands and they must put things in order. If this does not happen, again, not in the form of a threat and not in the form of a guess—to my great regret, relying on past experience, matters certainly may deteriorate to a much wider scale and I repeat: to the best of my knowledge, nobody wants this; people in Israel certainly do not want it.

[Semama--repeating the question for Tzipori] Are we moving toward physical, total extermination of all the terrorists or, perhaps, if at all possible, toward thinking about a political solution for a longer term?

[Tzipori] We are moving, and I hope that this message will be sufficient both for the world's countries and for the Arab world, that a regime of law in Lebanon must be implemented and the government of Lebanon must be given sifficient power to enable it to disarm the terrorists and know that its border is a quiet one. Jordan was able to do this; Syria--Syria is pushing the terrorists into acting against the state of Israel, there are no actions against the state of Israel from the Syrian border. [Sentence as heard] There are almost no actions against the state of Israel from the Jordanian border. Even from the Egyptian border, before there was peace, there were no terrorist actions. This means that the solution must be a solution under the responsibility of the Lebanese authorities or anyone who stands behind them, a solution that the issue of a free country as a center of international terror or as a center for a war against the state of Israel will cease and that they should impose a rule of law and there should be no command headquarters of murderers sitting in the capital city of Lebanon, murderers who boast of the murders of children, babies, women or old people. The solution must--I hope that it will be in that direction-be that the government of Lebanon, with everyone who should help them, will overcome that problem and again turn that border into a peaceful one.

CSO: 4323/28

DISMAY VOICED IN JERUSALEM AT U.S. STANCE

TA231147 Tel Aviv HA'ARETZ in Hebrew 23 Jul 81 pp 1, 2

[Report by 'Uzi Benziman]

[Text] Acrid criticism is being voiced in Jerusalem at the measure of trustworthiness displayed by the United States, at its capability of conducting itself like an ally at its capacity to meet its commitments arising out of the Camp David accords.

In the past 24 hours, government circles in Jerusalem have been complaining about the American approach as manifest in the decision to maintain the suspension of F-16 deliveries to Israel and in the angry note addressed by Alexander Haig to the prime minister, demanding that Israel "immediately" cease its attacks on the terrorists in Lebanon. Among the complaints heard:

Unlike the Soviet Union, which affords constant support to its proteges and does not expose them to public criticism, the United States is all too ready to attack publicly its ally (Israel), to issue warnings and to impose penalties (suspension of the planes).

Washington indulges in double-talk with Israel: the secretary of state himself has in the space of a week addressed two contradictory notes to the prime minister. Whereas in the first Alexander Haig praised the ties between Israel and the United States, in the second letter he was not loath to cast blame on Israel (it is embarrassing President Reagan) and gave backing to the administration's decision to strike at the relations between the two countries.

The United States is not a dependable patron: it submits to pressures from the European countries and Saudi Arabia and strikes at Israel, which it calls its ally and friend.

Washington harms the Camp David accords and undermines the political reality created in the Middle East. Israel has given up Sinai and the peninsula's strategic assets, doing so inter alia in return for U.S. readiness to make compensation through the supply of sophisticated weaponry. Now Washington breaks its commitments in this respect, thereby imperiling the peace process set up at Camp David, which to a large extent is based on the assumption that Israel is assured of firm support from the United States.

The cabinet will today renew its deliberations on the situation in Lebanon.

CSO: 4323/28

U.S. POLICY, WEINBERGER CRITICISM ATTACKED

TA261013 Tel Aviv HA'ARETZ in Hebrew 26 Jul 81 p 7

[Commentary by Eliyahu Salpeter: "They Are Trying to Confuse the Truth"]

[Text] Stinging comments by a U.S. minister do not have to anger us more--or concern us less--even if his name is Weinberger and he claims that he is not of Jewish origin. The circumcision ceremony is less important in this case than his rich past at the top of the (Bechtel) Corporation which has contract and construction ties worth \$10 billion (!) in Saudi Arabia.

The trouble with Mr Weinberger's criticism is that he is first and foremost one of President Reagan's closest friends; and, secondly, that the Saudi Arabian interests which brought him into the innermost sanctum are indeed genuine U.S. interests which work, influence and convert people in the business world that so richly influences Washington.

In contrast to this, the advantage of Weinberger's remarks is that this is Weinberger and that is his way and that is very convenient. The man is well known as someone who is not sympathetic to Israel, as one who leans toward exaggerating in his criticism of us and heaping praise on the Saudi Arabian monarchy's democracies. With such a man, on the surface, it is not necessary to seriously argue because, after all, he hates Israel and everything about it, and what can be done? In fact, the devil is not so terrible! There is a little criticism, but the president will not personally join in the attacks on Begin.

This is not the first time such a thing has happened say authoritative sources in the prime minister's office, and we should not exaggerate the gravity of the tension in the relations between Israel and the United States. It is true that this contradicts what was said 2 days earlier about the fact that the prime minister was angry, saying that it had never happened to Israel that Washington should violate a signed agreement about weapons supplies; but the katyushas that fell on Qiryat Shemona also contradicted remarks made by Mr Begin and, altogether, a man should not be judged when he is angry. And Mr Begin, as we said, is very angry with Washington.

And why is the prime minister angry?

After all, the chairman of the Knesset defense and foreign affairs committee explained very well the petty considerations guiding Washington in its damaging criticism of Israel: the United States is scared of be ug identified with us, it is even trying to defend its interests in the Arab world. Apparently there is no limit to the selfishness of the non-Jews.

What does it matter what is said in Washington, anyway? People in Qiryat Shemona are still crying "Begin, king of Israel"—at least, those who have not yet left the place. What a good thing that they added color television to the list of appliances for the purpose of compensation; color television is not only important before the elections, but after them, too....

And in the prime minister's office, as Qol Yisra'el announces, they have at last found the genuine culprit guilty of all the troubles: the communications media are guilty of a "short" created between Jerusalem and Washington. Very simple. And, as for the descriptions of the horrors of hundreds of civilian casualties in the Beirut bombing, the same report by "prime minister's office sources" has a completely simple explanation: "correspondents who are influenced and incited by the PLO' are responsible for the reports from Beirut. Not pictures in the international press, not pictures seen on television screens all over the world, but several incited correspondents....

The prime minister has also rejected the criticism of Jewish leaders ("not everyone who contributes to the bonds is a leader") and was going to write some harsh words to Secretary of State Haig, because the Americans "kept quiet when the Syrians slaughtered Christians" (the person in charge of Israeli publicity in the United States may even again remind the Americans of the massacre they made of the Indians in the 19th century....)

Getting down to it, there is something very dangerous when a government tries to convince the public that black is not black and a blow is a friendly pat; this might not only convince Greenspan from Nahariyya and Abut-ul from Qiryat Shemona, but--and perhaps, first and foremost--Menahem Begin in Jerusalem. We have never had such a hostile public opinion and press in the United States as we have now; it has never happened that the administration, congress and the U.S. press--all three of them!--setup such a critical tone against us as has happened this time. However, instead of stopping and examining what, in fact, happened (and how matters may, perhaps, be corrected), the government rushes to scatter headlines saying that all this is, in fact, only bad old Weinberger and not good Reagan.

A well known and recognized method. And, after all, Mr Begin never received anything from the U.S. president except for the "friendliest letter of his life."

The U.S. president, whether Republican or Democrat, is a courteous man who is scrupulous about the rules of protocol. He couches even the harshest words in diplomatic language. Therefore, the prime minister can always quote "my very dear friend" in the last sentence and forget everything that was said in the middle.

The question, of course, is how long can the method of announcements compete with the reality in the field.

-During the months preceding the elections, it was explained to the Israeli people (and, finally, to the non-Jews, as well) that the policy of initiated attacks [as opposed to actions taken in retaliation] against terrorist concentrations was gaining enormous success and that there were no longer any attacks, infiltrations and firing. After the elections the government suddenly disclosed (at least, to the public) that there were most dangerous concentrations of terrorists across the border and so they would have to be hit with full force in order to destroy the infrastructure and disrupt their attempts to organize themselves.

The question arises whether the great attempts at getting organized only began on 1 July 1981, or had they been going on even before that (as Ze'ev Schiff published in HA'ARETZ back in May). And if the organization already started several months previously, was the absence of terrorist actions really entirely the fruit of the Israeli attacks, or did the terrorists simply refrain from constant activity during the time they were reorganizing? And if there was reorganization—why did it not elicit any reaction before the elections?

--How many "command headquarters" do the PLO and the other terrorist organizations have? Not a day passes without an announcement about "precise hits" and this or that command headquarters, for some reason, are not in the command headquarters. What is the definition of a "command headquarters" for the needs of the Israeli public? Is there anything in the comments by foreign correspondents in Beirut who jeer at the terrorists' tendency to call any desk with a telephone and a man in uniform a "headquarters?"

--Mr Reagan and Mr Haig always repeat that Israel is a friend and ally of the United States. This is pleasant and important. But, perhaps, there is more than one interpretation of this term, particularly if it does not prevent leveling damaging criticism at the ally, does not prevent support for votes condemning Israel in the United Nations and does not prevent the freezing of the arms shipments intended for Israel, so that perhaps the interpretations of Messrs Reagan and Haig is not the same as that of the prime minister of Israel?

if there was an active opposition in Israel, it might have raised these questions for public argument. But the Labor Party is still in a state of shock resulting from the election results and its leader declares that this is not the time for him to get into arguments with the prime minister. Perhaps this is an understandable approach on the part of someone who was deluged with salvos of tomatoes at the Maymuna celebrations, but it is not a wise approach on the part of someone who wants to educate the Israeli public to see reality and cope with it without illusions.

CSO: 4323/28

'MA'ARIV' DISCUSSES U.S. CONTACTS WITH PLO, ISRAELI REACTION

TA281049 Tel Aviv MA'ARIV in Hebrew 28 Jul 81 p 1

[Text] Reports received in Jerusalem on an improvement in the PLO's image and standing in the eyes of the American public and about pressure exerted by several congressmen and by low-level administration officials to reexamine American policy regarding the terrorist organization have aroused concern among senior political circles in the Israeli capital.

At a Foreign Ministry meeting it was decided to immediately intensify diplomatic and information activities in an effort to undermine initiatives for a direct dialogue between Washington and the PLO. The most striking indication of the change of approach to the PLO was an editorial published by the influential WASHINGTON POST newspaper which called on the administration to hold direct contacts with the PLO.

According to the information received in Jerusalem, Saudi Arabia is putting heavy pressure on the American administration to begin a direct dialogue with the PLO, which is presented by Saudi as a moderate organization. Further reports were received in Jerusalem that Egyptian President Anwar al-Sadat is planning to put forward a proposal to President Reagan during their forthcoming meeting in Washington to include the PLO in the next phases of the autonomy negotiations.

It was also learned in Jerusalem that the belief is gaining in the U.S. Administration that a way should be found to conduct a dialogue with the PLO in order to make progress in the autonomy talks and on other issues pertaining to the Middle East dispute, particularly the Lebanon crisis.

State department officials were reported as having said recently in off-the-record briefings that the United States will eventually have to find some way of conducting a dialogue with the PLO since without a green light from this organization there is no hope of promoting a Middle East settlement.

According to evaluations made in Israel, the U.S. Administration is encouraged by the results obtained through the indirect contacts with the PLO concerning the Lebanon crisis and might therefore expand these contacts.

CSO:4323/29

PAPER SEES PLO STATUS STRENGTHENING

TA231108 Tel Aviv 'AL HAMISHMAR in Hebrew 23 Jul 81 p 3

[Commentary by Banko Adar: "Cease-Fire Negotiations--With Whom?"]

[Excerpt] No wonder 'Arafat sent Waldheim his conditions for agreeing to a cease-fire on the Lebanon-Israeli border in a hurry. In the 6 days since the incidents started, the status of the PLO improved enormously, to the point where that organization became in the world's eyes the chief factor on which peace in the Middle East depends. The hopes that extremist Palestinian leaders invested in Menahem Begin's rule have indeed materialized in the wake of recent incidents on the northern border.

On the eve of the elections in Israel, 'Arafat declared that "Begin is the greatest ally of the Palestinian movement," and PLO sympathizers in the territories openly told Israeli reporters that they were interested in the "Herut" leader's victory, as his aggressive policy against the Palestinians and his opposition to any political solution of their problem would unite the Palestinians and the world against Israel, and strengthen the status of the PLO. It is reasonable to assume therefore, that since Begin's declaration of 10 May that "katyushas will no longer fall on Qiryat Shemona" and until after the elections in Israel, the PLO refrained meticulosuly from firing katyushas on Qiryat Shemona or other settlements in the north, so as not to endanger the prospects of Menahem Begin's reelection.

Last week's incidents showed clearly that the timing of the resumption of the katyusha fire on northern settlements was by no means incidental. 'Arafat could have fired rockets also before the elections, had he wished to do so, but he decided to fulfill Menahem Begin's pledge of "no more katyushas' up to the elections, a period in which the PLO meticulously abstained from any exchanges of fire in the northern sector.

Israel's reaction to the terrorists' provocation only strengthened their status. Hopes that the bombing of the bridges would cause a serious lack of military hardware in southern Lebanon proved to have been futile, and the attack on the terrorist headquarters in Beirut, in which 80 percent of the casualties (according to none other than Israeli sources) were civilians, strengthened the PLO status in Lebanon and caused Israeli immeasurable political harm. The fact that Israel is compelled to enlist in its war against the terrorists major components of its

military power and the prime minister's statements describing the PLO as "an army equipped from head to toe, threatening to liquidate us," transformed the terrorist organization into a factor without whose participation in a dialogue (direct or indirect) a peace-making would be impossible.

The partial acquiescence of the prime minister to the U.S. demand for a cease-fire constitutes a withdrawal from his basic position, according to which terrorists should continue to be fought until they are liquidated. The government postulated at the same time, however, that it would not agree to direct or indirect negotiations with the terrorist organizations, a decision in which it turns a blind eye to a political reality of its own making. Not only the United Nations, but also the Americans are conducting negotiations with the PLO, even if for diplomatic reasons the contacts are secret or via a third party. Israel's consent to submit to U.S. pressure and agree to a cease-fire constitutes—even if it claims the opposite—an impressive and important political victory for the PLO.

CSO: 4323/28

MAPAM, HADASH ON CEASE-FIRE IN NORTH

TA251751 Tel Aviv ITIM in Hebrew 1713 GMT 25 Jul 81

[Text] Tel Aviv, 25 Jul--MAPAM secretary-general, Victor Shem-tov, has reacted to the cease-fire, saying that the agreement on the cease-fire is the only correct step Mr Begin has made since the beginning of the Lebanese missile crisis. Israel has made every conceivable mistake in that crisis. Mr Begin now owes the Israeli people an answer to two questions: first, whether the purpose of the massive attack by the air force was to destroy the terrorist organizations' military infrastructure. If so, it is clear to all that the cease-fire will be taken advantage of by the terrorists to rehabilitate that infrastructure. So, were the destruction in the north and the victims of the bloodshed-the dead and the wounded-all in vain? The second question addressed to Mr Begin is why he does not have the public courage to admit that the cease-fire in Lebanon was obtained through an indirect dialogue with the PLO. Why was it necessary to promote Yasir 'Arafat to the rank of president of Lebanon-as he was presented? It was not Mr Sarkis who shot the katyushas at Qiryat Shemona and Nahariyya. It was 'Arafat. Without the consent of the head of the terrorists, the fire would not have ceased.

Knesset member Me'ir Wilner has said: It is a good thing to have a cease-fire between Israel and, in fact, the PLO. But it is a bad thing that the Begin government had not agreed to it earlier; in contrast, Yasir 'Arafat had accepted the UN Security Council resolution on the cease-fire at once. The bloodshed in the last 2 weeks has come out of the government's initiative and culminated in a political failure for the Begin government on the one hand; and it has strengthened the PLO on the other. The situation that has been created reinforces the urgent need to establish a just peace by setting up a Palestinian state alongside the state of Israel.

CSO: 4323/28

'HA'ARETZ' CRITICIZES ISRAELI ACTION IN LEBANON

TA281345 Tel Aviv HA'ARETZ in Hebrew 28 Jul 81 P 11

[Text] The recent military confrontation between Israel and the terrorist organizations in Lebanon is an event with clear-cut time limits. The start and finish of which are well known and the developments of which are clear to one and all. It would therefore be fitting for the government and the prime minister to give an accounting to the nation of their considerations in initiating the confrontation of the expectations guiding them during its course and of the motives that inspired them to conclude that confrontation. The recent war against the terrorists enables every Israeli citizen to test the government's handling of this vital and sensitive issue that involves not only the security of the state but also the loss of lives.

Mr Begin and his 15 cabinet members owe us an explanation as to what inspired them to order the air force on Friday, 10 July, to resume attacking the terrorists in Lebanon after long weeks of calm. Why were pilots on that day sent to bomb terrorist positions in the al-Zaharani area, while negotiations were under way between the government and the U.S. Administration on canceling the suspension of the four F-16 planes whose shipment from the United States had been delayed in the wake of the bombing of the nuclear reactor in Iraq?

We want to know, Mr Begin and members of the cabinet, why the air force held its fire for 3 months preceding 10 July, if indeed it was necessary to employ the air arm to disrupt the new military deployment of the terrorists in Lebanon? Was it really absolutely necessary to dispatch the fliers that day and shatter the tranquility that prevailed in Galilee? And, if that was indeed the case, why did nobody prepare residents in the north for the ensuing difficult period? Was there a special reason for disrupting the tourist season in the region? Why were no preparations made to organize the life of residents in shelters? Was the terrorist reaction to the air force attack properly foreseen?

As a rank-and-file citizen, I tried to get answers to these questions. All I could find out was that some time after the elections the prime minister recommended to his colleagues, the ministers, that the air force be put into action. The ministers accepted the recommendation. They do not know why the initiative was not made before 10 July. Was it due to the elections, or perhaps because of Philip Habib's mediations? If indeed the latter consideration guided the prime minister's approach—it is not clear why it had not been taken into account also around 10 July, as Mr. Habib was at that time also endeavoring to

bring about a withdrawal of the Syrian missiles from Lebanon. In any event, the ministers were told that detailed information exists facilitating to attack and disrupt the terrorist military deployment, and that Habib's mission need not interfere with this, as it was taking too long and must not make us submit to the langer of the strengthened terrorist deployment in Lebanon. It also transpires that the ministers were told that the terrorists might react to the air force raids by Latyusha fire on settlements in the north, but nobody foresaw at that stage a massive terrorist reaction of the kind witnessed on 15 July, when the whole northern sector from Nahariyya to the Galilee panhandle was shelled, an attack resulting in 3 dead and 25 wounded.

Respected cabinet members, we want to know what considerations guided you in adopting the decision to bomb the terrorist headquarters in Beirut on Friday, 17 July. Was such a large number of civilian losses taken into account? Was there reliable information on hand indicating that there were good prospects of hitting terrorist leaders in their headquarters or disrupting their control over units in the field? Did anyone mention to you the fact that on that day heads of the Western countries were meeting in Ottawa? What did you want to accomplish in that attack? What U.S. reaction did you foresee and how did you prepare for it? What actions did you take to cope with the waves of anti-Israeli publicity? In what way did you prepare for the expected military reaction of the terrorist organizations (whose capabilities you were able to judge as early as on 15 July)?

As a rank-and-file Israeli looking for answers to these questions I find that the government itself was stunned by the huge proportions of the blow inflicted on the Beirut population as a result of the air force attack. As no such far-reaching blow to Lebanon's citizens had been foreseen, the ministers failed to anticipate the U.S. reaction, or President Reagan's embarrassment in his talks with Western leaders at Montebello Castle, as well as the bad impression the attack had on U.S. public opinion. Because of the surprise that the results of the air force attack inflicted on the ministers themselves, no suitable Israeli information campaign could have been prepared. For the same reason--but also due to organizational deficiencies -- residents in the north, and particularly those in Qiryat Shemona, were not prepared to withstand the massive terrorist shellings that came in the wake of the air force operation in Beirut. At that stage the defense establishment was already aware of the terrorists' ability to harrass settlements in the north most painfully, but by then it was too late to create conditions in the north, and especially in Qiryat Shamona, which would make life under fire sufferable.

We would also like to know why the government did not continue with its method and failed in winding up its all-out war against the terrorists which it started on 10 July? Why did it submit to an American dictate, accepting without demur conditions for a cease-fire which Philip Habib imposed on behalf of President Reagan (a ceasation of hostile activities, without any guarantees insuring a prevention of terrorist redeployment in southern Lebanon--even though, it will be recalled, this had been the reason for the Israeli attack on 10 July). Why, Mr Begin, did you make such high-handed statements to the cabinet and public (in the course of your last visit at Qiryat Shemona) about an early solution to the Katyusha problem, and why did you renege as soon as you felt the pressure of the U.S. Administration? You, who believed in the efficacy of an armed confrontation with the PLO--why did you check it before completion? After such heavy losses to

life, property and morale have been inflicted in the settlements of the north. After relations with the United States have been reduced to an all-time low-why did you not, at least, exhaust the profit you hoped to achieve from the attack against the terrorists?

We are directing the same question to the cabinet. How is it possible that 15 men of authority and the highest responsibility say yes to the will and views of one man, Mr Begin? When he urges a military offensive, he is given full support by most of his colleagues in the cabinet, except for Yiga'el Yadin, and when he recommends the holding of fire, he again has full backing (except for Ari'el Sharon). Has none of the ministers an independent stand, his own sense of judgment? Did you not ask yourselves any of the aforesaid layman's questions when adopting the string of decisions that resulted in the confrontation with the terrorists between the 10 and 24 July? How can a rank-and-file citizen rely on you when he sees the results of your considerations?

Can anyone up there at the seat of government in Jerusalem face the nation and point out the state of Israel's accomplishments following the armed confrontation in Lebanon? What has, in fact, changed between 9 and 25 July in terms of the terrorist deployment and their ability to harrass northern settlements? What did the Israeli nation profit from its government's policy that resulted in seven dead, dozens of wounded, vast damage to property, immeasurable harm to the northern settlers' morale in a grave erosion of Israel's status in the world, in a most serious disruption in U.S.-Israeli relations, in betraying our weakness to withstand U.S. pressures, in granting a new status to the PLO, in harming the IDF's deterrence capability, in the demeaning of the state of Israel, in arousing internal strife in Israel?

There is still the possibility that the incident is not over yet. There may be more to come and, in view of future developments, the incidents between 10 and 24 July may appear in a different light.

This is the hope with which Mr Begin's aides and cabinet ministers are flirting. Political activity is expected which would remove the PLO from Lebanon (or, at least, from the south of that country). An alternative option is also being discussed, mainly that the PLO will violate the cease-fire and provide the IDF with an excuse for completing the job the air force started on 10 July.

To judge by the wisdom the government showed in the last 2 weeks, the rank and file citizen may well have doubts about the credibility of such predictions and considerations. The layman who, unlike a minister who has access to intelligence assessments and IDF evaluations, is asking himself, will the same compulsions (internal or outside ones) which forced Mr Begin and his ministers to unconditionally surrender to U.S. demands and agree to a cease-fire not be reflected again, and with a vengeance, if the IDF sets out to finish the job in Lebanon in the future? The rank-and-file citizen will also be asking whether a military operation, no matter how extensive, will remove the Katyushas from the border (see the results of the Litani operation), and whether this will solve the Palestinian problem.

CSO: 4323/29

TZIPORI ON SITUATION ALONG NORTHERN BORDER

TA241528 Tel Aviv YEDI'OT AHARONOT in Hebrew 24 Jul 81 pp 5, 26 Weekly Supplement

[Deputy Defense Minister Mordekhay Tsipori interviewed by Refa'el Bashan--time and place not given]

[Excerpts] [Question] One gains the impression that on the northern border, the State of Israel has entered a vicious circle and a deadening from which there is no exit. We bomb the infrastructure of the terrorist concentrations almost on a daily basis and a few hours later they fire Katyushas at the settlements in the Galilee panhandle; the IDF again drops bombs on them and they again open fire with long-range artillery—and this has been going on for 8 days. Is this campaign going to evolve into "a war of attrition" or into some sort of Middle Eastern Vietnam war?

[Answer] There are several answers to the complex issue. One of them is to make the terrorists pay such a price that they would be forced to think 77 times before they plan any move. Past experience as well as what is now happening in the field show us that the terrorist leadership is not at all moved by the number of casualties we inflict on them and their collaborators. Therefore, in my opinion, a solution to this problem could be found on two planes: the first one—which we have already implemented in the past and which proved affective—is to "charge" the cost of the attacks against us on the Lebanese Government which allows the terrorists to operate from Lebanese territory. The second is that the Lebanese Government must be held responsible for preventing terrorist activities; for instance, as the case with Jordan. Even militant Syria hardly allows the terrorists to operate from its territory.

It is true that these examples cannot be implemented in Lebanon because, in fact, it does not have a central government capable of installing order in the country. Therefore, if there is no other choice, the second solution can only be implemented through military measures which would once and for all remove the threat posed to Israel by the terrorist bases, even on the assumption that following such an operation the State of Israel would be faced with difficult international problems. On the other hand, a new situation of this sort may force the international community to show more involvement in what is happening in Lebanon and to try to assist the Lebanese Government, with the aid of multinational forces, to maintain its control and order over its territory. The State of Israel has now been through 8 days in which the inhabitants in the north, in the Galilee panhandle and the western Galilee, have been forced to spend days

on end in the air raid shelters and we have suffered casualties and our property has been damaged. No government in the world can allow such a situation to go on; we are approaching the decisive moment of truth. I must unambiguously state that there is no military problem that the IDF cannot cope with.

[Question] Could there be a situation in which the IDF, forced by the circumstances, would be forced to launch a second "Litani Operation," in another form, in which it will cross the border and it will attack and clean the terrorists bases in Lebanon?

[Answer] If circumstances so require, we will be forced to clean the area beyond the border of artillery, missiles and terrorist bases, to systematically and thoroughly destroy their bases and to ascertain that they cannot organize in those areas or reduce their activities to the minimum possible. On the other hand, whoever thinks that the problem of Arab terror can be totally liquidated is deluding himself. We have known this phenomenon since the late 1920's and its subsequent evolution during dozens of years. Our problem has always been—and continues to be—how to reduce to the minimum the damage that the terrorists might inflict to the normal life of the citizens of the State of Israel.

[Question] What about my question regarding the development of "a war of attrition" on the northern border?

[Answer] The present government has very well learned the lessons of the past and under no circumstances will we allow a war of attrition to erupt in the north. Under no circumstances should the State of Israel be involved in a war of attrition. We remember very well the days of the "war of attrition" in the 1970's, the Bar-Lev Line, and its consequences and we will not let it recur.

[Question] Since the massive bombings against the terrorists began on the northern border we have seen that, in spite of all our explanations that the PLO intentionally establishes headquarters sites amid the civilian population and that Israel does not want to hurt civilians, the world is not ready to listen to us and we hear ceaseless and sharp condemnations from statesmen and media throughout the world. Maybe it would be better, and possible, to find other alternatives to hit the terrorist targets and headquarters other than through our massive bombings and thus keep in mind world public opinion which has consequently become more hostile toward Israel?

[Answer] I would like to refer to this issue from two aspects: a) Horrifying international hypocrisy which has made us the culprits because we want one and only one thing—to protect the life of our families! Has the world forgotten the bombing conducted by thousands of the allies' planes during World War II or, for example, the thorough destruction of Dresden? And what did the German planes do to Britain and the Japanese planes to the United States?! Has the world already forgotten what happened a few years ago in Vietnam?! Even in Beirut itself—which we only attacked once—thousands of innocent citizens were killed in the fighting between the Christians, the Syrians and the terrorists—and nobody is saying one word about it?! The same holds true regarding "Black September," the massacre of the terrorists in Jordan by King Husayn. Why are international media not telling about what is happening within Syria itself, where people opposed to the regime, acc, women and children are being slaughtered?! Neither do they report on the

intermittent massacres in Afghanistan and the Sahara. These issues are clouded by a screen of silence. Only when the State of Israel sets out to protect the life of its citizens from murderers who do not have the guts to fight the security forces and who aim all their bombs at civilian targets, only then do all the "beautiful people" in the world—and to my regret, also in Israel—wake up to denounce the legitimate acts of the government to protect its citizens.

b) The second aspect—and I am saying this with full responsibility as a man who has been with the security forces since before the establishment of the state and until this very day: I have never seen more sensibility in choosing targets with the aim to minimize hitting civilians in the course of a military operation; it is not us who have established terrorist bases and headquarters within and near civilian settlements. On the other hand, under no circumstances can we allow their location to provide them shelter, an excuse and the possibility to act freely against the State of Israel; as said, we are forced to act against these bases but we certainly take maximum precautions not to hit civilians. However, beyond all this I want to say the following: the civilian population which allows terrorist bases to be established in their midst—and most of them collaborate with the terrorists—can obviously not expect to be absolutely immune! They are left with the choice; either drive them away—or move away themselves—or undertake risks inherent in the establishment of terrorist headquarters in their buildings.

All of the terrorist headquarters controlling the murderous and terrorist attacks on Israel and other countries in the world are concentrated in Beirut, the Lebanese capital. Not only are all the orders to carry out attacks issued from there but, also, following one of their "successes," which included the killing of babies, women and old people, the official radio stations of the terrorist organizations proudly assume resonsibility for these crimes and boast about their deeds. The Lebanese Government is aware of all this but it keeps silent because it is weak and cannot handle the situation. However, we can not sit still and as a government responsible for the life and well-being of its citizens we must cut the heads of these strikes. Maybe this will be a clear-cut message to every decent Arab citizen living in their midst to move away from them and leave them as isolated as lepers.

[Question] In your estimate, how many civilians were killed in the bombing on Beirut?

[Answer] Some 100 to 140 civilians were killed and several hundred were injured. However, Arab propagands—which immediately realized the effect this would have on world media—blew up the number far beyond its true proportions. On the other hand, dozens of terrorists were killed in our bombings, including the one on Beirut. Thus, we achieved a very important goal we had set for ourselves, namely, that the time has come when Israel is sufficiently strong to cope with all the Arab countries hostile to us. Thus, in addition to our recent war against the terrorists in the air, on land and in the sea we can solve the problem of the terrorists in a most thorough manner. Our military history attests to the IDF's capability—beginning with the 6-day war through the Entebbe operation and the destruction of the reactor in Iraq—and proves that the State of Israel, is capable of finding the appropriate answer to fluid situations in the field.

[Question] So, what are we waiting for?

[Answer] One does not pound with a heavy hammer before one has checked other alternatives. In principle, we are trying to confine our operations to the smallest and most logical dimensions. As said, the problem is not a question of our militry operational capability but a question of timing and weighing of the international situation. Before we carry out more decisive moves we try to exhaust other means. However, if this were to fail the problem of the terrorists would be solved in an entirely different way. This opinion is also seconded by the prime minister and the chief of staff.

[Question] Mr Deputy Defense Minister, what is our "red line" beyond which we would be left with no other choice but to adopt measures which you described, in a radio interview, as "cleaning the field"?

[Answer] We do not have any "red line". We will analyze the situation in the field and the government will act accordingly while taking into account the international political situation.

U.S. FIRMS LAGGING ON NEGEV BASE CONSTRUCTION

TA301410 Tel Aviv HA'ARETZ in Hebrew 30 Jul 81 p 2

[Text] Falling behind schedule has been recorded in the construction timetable of the new air force bases that the Americans are building in the Negev. Those delays cause difficulties to the functioning of the air force during the transition period. It is hoped in the IAF that those delays will not affect the evacuation set for April 1982.

Correspondents were told during a tour yesterday that this falling behind by the Americans is only one of the numerous problems the IAF has to cope with in view of the upcoming evacuation of the two large air bases in Sinai. It is already becoming clear that the reduced air space is liable to engender friction between military flights and civilian aviation. In comparison to the vast training space that was available to the IAF in Sinai, the firing ranges it has at its disposal this side of the green line are very limited. In addition to the logistic problems, the density of aviation traffic will also result in harm to the environment. As the IAF will not forego supersonic flights, residents will have to get used to sonic booms.

The governing IAF guideline is that every installation that can be dismantled is to be transferred to the new bases. Whereas all other operational installations that cannot be dismantled are to be destroyed. The destruction is scheduled to take place in October. In the framework of the present dismantling operation (Ramon B) large quantities of equipment were stored in containers for future transportation to the new bases on semitrailers. The cost of evacuating the air bases will amount to 233 million shekels (calculated 2 months ago).

Keeping the reduced air space in mind, the air force is planning changes in training that would nonetheless maintain at all times the IAF's operational capability. It was also reported that the construction of housing units at the new airfields is lagging considerably behind schedule.

cso: 4323/29

NEW REGIONAL COUNCIL IN DEAD SEA AREA

TA301743 Tel Aviv ITEM in Hebrew 1710 GMT 30 Jul 81

[Text] Qalya, 30 Jul -- Upon the establishment of the "Megilot" regional council in the northern part of the Dead Sea, the founding of local authorities in Judaea and Samaria--currently including 10 local authorities overseeing 84 settlements inhabited by 20,000 inhabitants--has been completed. The director general of the Interior Ministry, Mr. Hayim Kubersky, stated this today at Kibbutz Qalya during the founding ceremony of the new "Megilot" Regional Council.

The new council extends to an area of 700,000 dunam and it includes five [existing] settlements and two new settlements in process. The regional council also includes seven tourist resorts which will become a tourism center. Mr. Shay Releg of Kibbutz Qalya was elected head of the council which is formed by the representatives of six settlements.

The director general of the Interior Ministry added that the budget of the Jewish local authorities beyond the green line is 250 million Israeli shekels, including the interior ministry's allocations of 150 million shekels. Mr. Kubersky emphasized that henceforth these authorities will be governed by the same regulations applying to the local authorities within the green line. Mr. Kubersky added that the heads of the Jewish local authorities in Judaea and Samaria would together constitute the regional planning and construction committee that is authorized to approve local and regional infrastructure plans.

PLANS FOR CAZA POPULATION DISCUSSED

Jerusalem AL-FAJR in English 7-13 Jun 81 pp 13, 14

[Text]

Translated from al-Istitaan (Settlement) by Abed Abdul Rahman al-Arafa (Jerusalem: Abu Arafa Publishing House).

Gaza (Strip) is considered a problem for Zionist settlement planners. Though its strategic position and its fertile agricultural land make Gaza an enticing area for settlement, the human population density (Palestinian) in the limited land area makes Zionist settlement process very complicated. Despite the establishment of several Israeli settlements between the towns of Gaza (Strip), the aspirations of the settlement officials have not as yet been met.

The possibility of executing effective Jewish settlement cannot be implemented unless a way is found to deport the local population, or at least part of it, and to settle Israelis in its place. The Israell authorities have stepped up attempts in this field, but until now have not concretely changed the situation because of a second limitation: that of water-resources.

The military authorities have restricted water pumping for Palestinians. The possibility of (agricultural) expansion for the settlers is still very limited, however, because most of the

area of cultivatable agricultural land is already in use by Arab farmers, while the unused lands, of which a large percentage are miri-sandy- until now are uncultivated. Studies and financial outlays need to be directed to develop these lands.

The Israeli occupation authorities have already fenced off thousands of dunams of lands on the pretext of 'security' and in 1971, started to set up settlements on these lands. The sreas fenced off in Gaza (Strip) for settlement purposes are several times the actual needs of these settlements.

Population Density

The population density in Gaza Strip is one of the highest in the world. Thousands of Palestinian refugees, forced to leave their towns and villages in the Southern area of Palestine in 1948, have lived since in camps set up in the suburbs of Gaza Strip towns under very difficult conditions. This has caused serious drain in the limited production resources in Gaza, and after 1967, the huge numbers of refugees constituted a. constant source of security concern for the Israeli author-Ities.

The leaders of the Zionist settlement movement found themselves countering the inevitability of deporting the refugees (until the execution of their expansionist settlement policies became possible). But a step like mass deportations could arouse strong international reaction. Therefore, the authori ties had to find a different way to execute their plan- to show the world that what is happening is "only for the improvement of the living conditions of the refugres" and o give them employment opportunities inside Israel. The Israell authorities prepared a set of plans to solve this problem.

Rehovot Plan

A pian, drawn up in the I evot Agricultural Institution b, ecial committee headed by essor 'De Shallet' in 196, stipulated that the refugees should be integrated in the framework of a comprehensive plan for the occupied territories. The plan called for a study of the specific conditions of each area.

For the area of Gaza (Strip), this plan proposes the transfer of the refugees to the West Bank and the imposition of conditions that would push the workers into israel.

Weitz Plan

A scheme was also prepared in 1969 by Ra'anan Weitz, head of the Jewish Agency settlement department. The scheme proposes the transfer of 50,000 refugees from Gaza to Al-Arish, to lessen crowding in the camps and to salve employment problems without restricting the workers to the camps or even inside largel.

This plan was initially rejected because it required the transfer of large numbers of refugees, which in turn would induce strong world reactions against Israel. There was a tendency to accept the Rehovot programme, therefore, though it would pose several difficulties for the Israeli planners.

The success of the Rehovot scheme depends on the execution of the plan throughout the occupied territories. The subordination of the Gaza economy to that of Israel would create links between the Israeli employers and Arab works, and the reduction of the Israeli economic activity would lead to a decline in the economy of the occupied territories. In spite of the fact that these difficulties were good reason for dismissing this programme, they typify relations between the occupied

territories and the occupying authority.

The Alternative

The problems of the "Weitz scheme" are still there in the "alternative" scheme now in force. This plan aims to change the existing camps by constructing housing units outside them. Some stages of this project have been implemented in Beach camps: al-Burzj, al-Nusseirat, Khan Yunis and others. Many refugees were pressured to transfer to these ready-built units. Others were moved to houses vacated by their owners after the 1967 war.

Israelis consider the plan to be partly successful. It did not, however, meet their wider aspirations. They had to implement the project in the camps by military force.

After meetings UNRWA employees and camp notables where they were informed of the military's measures, destruction orders were issued and preparations were made to 'settle' those who lost their homes in Gaza and the area of Al-Arish. Several families were also forced to move to the West Bank. This plan continues. Latest announcements reveal that the authorities plan to set up four new housing quarters where 2,750 families could be concentrated.

CSO: 4300/62

RESTRICTIONS ON WEST BANK DIGNITARIES, REMARKS

TA282110 Jerusalem Domestic Television Service in Hebrew 1900 CMT 28 Jul 81

[Excerpts] The military government in Judaea and Samaria has decided to ban dignitaries and mayors from making political declarations which somehow imply identification with the PLO. The coordinator of activities in the territories, Maj Gen Dani Mat, today said there is no difference between the military and political struggle waged by the PLO against Israel. Major General Mat today toured in Bethlehem and Ramallah. Our correspondent Rafiq Halabi also joined the tour.

[Begin videotype] [Halabi] Ilyas Prayj arrived at the military government building in Bethlehem today to lay out to the coordinator of activities in the territories the moods prevailing in Judaea and Samaria. Public figures in the territories have recently been banned from dealing with political issues and meet with PLO officials in the Arab world.

Ilyas Frayj claims that the military government encourages villagers in the area to organize so as to push them away from the influence of the municipality and thus decrease his authority. Major General Mat said that the military government would not adversely affect the status of the moderate Frayj.

Seen in this picture while touring the souk of Bethelhem, Major General Mat ordered the tightening of screws on the mayors identified with the PLO.

This is a new policy. Major General Mat sees a direct connection between the tuning down of the political tones in the territories and the decline in the number of terrorist gangs and acts of sabotage.

[Mat] Israel has been struggling against all the components of the PLO, both military and political. I think that there is no distinction between the military and political PLO. Ideology and philosophy also conducts to action. Therefore, I do not think there is a difference between both these factors.

[Halabi] Major General Mat, when it is said that the mayors should not deal with political issues—we are talking about an autonomy process and these are public dignitaries. How can this issue be dealt with when the representatives of the territories are the mayors?

[Mat] I think there are no special problems regarding the mayors. A mayor enjoys a vast area of action within the sphere he is in charge of. That is, the

municipal sphere. There is nothing to prevent a mayor from expressing his opinion according to the spirit of the peace agreement, coexistence, the Camp David accords and so on. Certainly, what a mayor cannot say is, the PLO represents me. If he says that the PLO represents him, this is tantamount to giving actual legitimization to the declarations made in the last conference in Damascus. This is actually a paradox which, in my opinion, cannot be reconciled. [End of videotape]

GOVERNMENT WANTS CIVILIAN GUARD IN WEST BANK

TA171303 Tel Aviv HA'ARETZ in Hebrew 17 Jul 81 p 2

[Report by Yehuda Litani]

[Text] For the first time since 1967, the military government wishes to set up a kind of "civil guard" for the inhabitants of the West Bank to prevent cases of stone-throwing on Israeli cars. In the last few days the military government has been trying to activate some such guard in portions of roads in the town of al-Birah, where Israeli cars have recently been stoned. It was reported from al-Birah yesterday that residents who had been asked to join that force have refused.

Al-Birah Mayor Ibrahim Sulayman al-Tawil yesterday issued an announcement strongly condemning this last move. He stated, among other things, that it is unheard that inhabitants be called upon to guard the army, whereas in fact it is the army that is responsible for guarding the citizens. It was further reported from al-Birah that identity cards of those inhabitants who refused to participate in the new guard have been taken away from them by the military government.

On the other hand, it was reported yesterday that the new steps are aimed at preventing the inhabitants from suffering, because each time stones are thrown at Israeli cars the military government closes parts of the roads and imposes curfews for hours or days. If the inhabitants guard themselves and prevent such instances, IDF elements reported yesterday, the inhabitants will not suffer extra hardships.

AIR FORCE COMMANDER INTERVIEWED

TA181756 Tel Aviv IDF Radio in Hebrew 1510 GMT 18 Jul 81

[Interview with Israel Air Force Commander Maj Gen David 'Ivri by Pinhas 'Idan "a few days ago"--place not stated--recorded]

[Excerpts] [Question] Maj Gen David 'Ivri, Commander of the Air Force: The missile crisis in Lebanon: in your view, is this a repeat of the missile affair in the [Suez] Canal?

[Answer] Not in the missiles, although there are some nuances that may be similar, but there is a completely different situation between us and Lebanon and Syria in comparison with the situation that there was with the Egyptians. The threat of missiles by its nature is different, it is more strategic, the first was more tactical because of its nature in its implications as to what the air force was or was not capable of doing. Here, in my opinion, the strategic-political nature is more dominant than it was then. The problem of the missiles in Lebanon is, first of all, the introduction of missiles by another country into Lebanese territory, in order to defend its own forces there, to defend the Syrians, that is definitely a political-strategic problem. What it means is that it also restricts our military capability, our air capability. For the moment, at least, it is partially restricting, but the very fact of the introduction [of the missiles] is a sort of precedent meaning that, tomorrow they can say, we are also introducing them into other areas. There are Syrians in other regions of Lebanon and, to give them an air defense, all of Lebanon can be covered with ground-to-air missiles and the crisis afterward could be, possibly, similar to that missile crisis with Egypt, where there could even be an effect on flights in the north of Israel. The military aspect that exists is that they are certainly providing indirect defense not only to the Syrians, but also to the terrorists. We can see less of what is happening down below, we can attack less areas than those we were able to attack before. Thus, we are stopping some of the defense, or deterrence of terrorist activity here.

[Question] As a result of this, have the terrorists, under this or another umbrella of Syrian missiles, increased their air power?

[Answer] They are constantly developing air power. I believe that this is not connected with the missile crisis. It cannot be directly connected with it. The terrorists' interests, again, are also strategic-political ones. If it was easy

ter them to attack, they would attack and it would make no difference if there was an umbrella or not. It appears to me that, in the situation that has developed here, it would have been worthwhile for the terrorists to be somewhat relaxed, perhaps to gather strength, to begin to develop a deployment and begin to advance with it. It seems to me that this is what they did, under the missile umbrella and not necessarily to be active or aggressive. When they are going to be aggressive is when it will be worthwhile for them, strategically and politically. This could be tomorrow. We simply have a time gap which did not sufficiently prevent the terrorists from advancing and reinforcing.

[Question] Yes. Maj Gen David 'Ivri, has what is called the status quo ante, from the military aspect, in Lebanon, changed, following the missile crisis?

[Answer] Of course it has changed. With the missiles in their current sites, they are controlling areas of Lebanon they did not control before and they are preventing us from flying freely. They have downed our drones, pilotless planes, with missiles fired from Syrian territory, when the drones were flying over Lebanon.

[Question] Is there greater Syrian reinforcement than there was in the months before the missile crisis, on the Lebanese-Syrian border?

[Answer] Definitely. There are reinforcements, mainly in the field of air defense. I great deal of anti-aircraft weapons, many deterrent and detection systems, there are the main things.

[Question] Air Force Commander, has the Syrians' air activity increased in Lebanon over the last few months, following what is called the missile crisis?

[Answer] On the contrary, the air activity itself, using planes, when they are deliberately firing ground-to-air missiles at planes, has decreased. It seems to me that the battle, or the area in which they are interested in fighting, is in the field of the missiles. Therefore it is in it that they have certainly established a significant deployment.

[Question] Maj Gen David 'Ivri, has the conflict between the superpowers in the Middle East become more tangilbe over the last few months, following the missile crisis?

[Answer] Definitely. The involvement...the very fact, for example, that Philip Habib came to the Middle East and went to Syria...the United States entered with a certain hold that it did not have in the past. The Russians; the naval exercise held recently; there is competition here over which of the superpowers is getting a greater position of power and we, of course, play the pawns. The policy the pan-Arab blocs have had to take, the different situation that has certainly been created since the missile crisis, in the relations between the Arab countries—these are matters which, in my opinion, are today in existence by the very fact of their [presumably the superpowers] involvement. In my view, this is a process the results of which, for the moment, are still difficult to predict, as is who will in the end be in a better position and which power will overcome. The process is at its peak. What will happen later will depend on whether we attack or are attacked.

[Question] Yes. The Soviet's proximity to our border, does this restrict our ability to fly?

[Answer] For the moment, there is no indication that this has to restrict us in our missions, the ones we have been accustomed to. It is clear that we have no trend toward presenting a challenge to the Russians.

[Question] Major General 'Ivri, a very large question is, of course, Jordan, which is standing aside, but I understand that it is building up its strength, from the air aspect, no less than is Syria.

[Answer] Jordan certainly is building up its strength and I would not say that it is standing aside when they are building so many airfields and acquiring such equipment—that is not called standing aside. I would say they have given a certain encouragement to the Syrians, over the last few weeks, a certain encouragement to the Iraqis, full cooperation with the Iraqis, partial cooperation with the Syrians, so this cannot be called standing aside. The Jordanian threat is definitely becoming stronger every month.

[Question] In your estimation, is there any trend toward forging a link between the two air forces, the Syrian and the Jordanian?

[Answer] Apparently the potential for such a link exists. It is a fuction [last word in English] of the tension. When the enemy is Israel, this link tightens at once, and of course there is no possible problem of language and communications. When Israel is not the common enemy, the conflict between them is such that they quarrel. The possibility of a link exists.

[Question] Maj Gen David 'Ivri, in fact, we began with the crisis, the missile crisis in Lebanon. Is there, in fact, a real war going on in Lebanon?

[Answer] In my view, this is a war that has been continuing for a long time and we do not always know who is the enemy of whom—that is one of the problems of the Lebanese. First with the Syrians, then against them, the Christians and so on, this is a very complicated business of conflicts where the interests of one do not always fit in with those of the other and this can occur [even] within a single town.

[Question] As the air force sees it, will there be war?

[Answer] This is not a war, it is small campaigns; it is a collection of, every now and then, operations, with ups and downs. I will explain myself on this point. War has—it should have—an effect on the process of the army's, the air force training and education, to interfere with it or create special efforts which say: now you are entering into a training-educational effort suitable to that conflict. We are continuing to develop in the field of training and education as we should, without any interference to the normal processes and so I would not call it a full war, but a series of small campaigns which we have to deal with every now and then.

[Question] In your assessment, Air Force Commander, will we be able, in the coming decade, to prevent the advance of a balance of threat [as heard] in the Middle East?

[Answer] A balance of threat is something psychological. We speak about a balance of forces or a balance in military ability to stand firm. In the ability to stand firm, militarily, in my opinion, we—if we continue in accordance with the plans we are demanding now, whether these involve the lavi or procurements we think we can make—I think we will be able to maintain the gap, at least we will not decrease it, because we are constantly pressing for qualitative, not just quantitative, solutions.

['Idan] Maj Gen David 'Ivri, commander of the air force, thank you very much.

WEST BANK LAND OWNERS APPEAL ON LAND ISSUE

TA212016 Tel Aviv ITIM in Hebrew 1845 GMT 21 Jul 81

[Excerpt] Jerusalem, 21 Jul--Twelve Arab landowners from villages in the Ramallah and Hebron districts who complain that their lands had been declared state lands for the purpose of setting up the Neve Zuf and Mizpe Guvrin settlements today attained an order nisi from the High Court of Justice against the Judaes and Samaria commander and the trustee of abstence and governmental property.

The order that was issued by Justice Moshe Kohen instructs them to show cause within 45 days why they should not cancel their declaration of the land as governmental property. An interim order was also issued banning the authorities from carrying out work on the lands until the ruling of the High Court of Justice on the appeal is given.

The appelants from the villages of Umm Safa', 'Ajul and Tarqumiyah, claim via attorney Felicia Langer that their lands were declared by the military authorities as state land in June and preparation work on them has begun without allowing the Arab owners to have the transitional 21-day period during which the owners are entitled to appeal the decision.

The appeal states that when the land owners turned to the Ramallah Appeals Committee they were asked to deposit a 1,000-shekel collateral each for the covering of possible damages the state may incur if it is ruled that the lands belong to it. They complain that this is a change of policy intended to prevent the issuance of preventive orders which delay the pace of settlements desired by the authorities.

It is further claimed in the appeal that the military authorities' acts run counter to Jordanian law, Israeli law and international law.

SETTLERS DEMAND REVOCATION OF CAMP DAVID ACCORDS

TA220703 Jerusalem Domestic Service in Hebrew 0505 GMT 22 Jul 81

[Text] The more complex the political situation becomes and the more the security tension in the north increases, the more the Jewish settlers beyond the Green Line step up their political activity, demanding stopping the withdrawal from the Sinai, severance of any connection with the Camp David accords, and applying Israeli law over the Golan Heights. Here is our correspondent Avraham Ben-Melekh on this:

[Begin recording] The conditions have now ripened for dramatic decisions to be made, the settlers in Judaea, Samaria, the Gaza district and the Golan Heights say. The Council of Jewish Settlements in Judaea, Samaria and Gaza demands that the government declare that it is immediately retreating from the Camp David accords. The council says that the stoppage of aircraft deliveries to Israel are tantamount to an arms embargo on Israel. This is a violation of the Camp David accords. The United States had promised Israel modern arms in return for the strategic depth it has become deprived of [in the Sinai], but now it is taking back its readiness to do so. The members of the Judaea and Samaria settlements also pointed to the aid Egypt wants to extend to Lebanon as proof that Egypt has no intention of pursuing the peace treaty. The recent Egyptian verbal aggression also supports this approach, according to the settlers.

In the Yamit district, the local settlers repeat their demand that the pullback from the Sinai be stopped. Members of the Ma'oz movement from Yamit repeated their demand that the pullback be stopped, and they sent sand from the Sinai to members of the 10th Knesset. They called on the Knesset members not to lend a hand to carrying out the withdrawal and the uprooting decided upon by their predecessors.

In the north, the Golan settlers have recently increased their activity toward annexing the Golan Heights to Israel. They explain that what is currently happening in Lebanon again illustrates the significance of the Golan Heights and makes poignant the need for Israel to keep it forever. They say that anyway the whole world is angry with Israel, so that a decision to annex the Golan would not cause serious political damage.

In all the Jewish settlements beyond the Green Line, the settlers talk against the United States and Egypt. They are convinced that after the withdrawal is completed, no one will any longer take account of Israel. Then, they say, the United States will be able to impose an embargo, Egypt will be able to revoke peace, and Israel will have nothing to fight with. The conclusion, therefore, they say, is that now is the time to take action to turn the wheel back. [End recording]

WEST BANK MILITARY GOVERNMENT'S ANNUAL REPORT RELEASED

TA230643 Jerusalem Domestic Service in Hebrew 0505 GMT 23 Jul 81

[Text] It has been many months now that the hostile political activity in Judaea and Samaria has ceased said Judaea and Samaria Commander Brig Gen Binyamin Ben-Eli'ezer, in a preamble to the military authorities' report on the 14th year of the military authorities. Our correspondent in Judaea and Samaria Arye Gus looks at the report.

[Begin recording] In the 14th year of the military authorities Ben-Eli'ezer writes, significant developments have occurred in the political-terrorist sphere and in the military authorities' fight against this. The period began with an uprise in the nationalistic activity and reached its peak in May 1980 when a terrorist squad attacked the Hadassah building in Hebron. The military authorities' policy which Brig Gen Binyamin Ben-Eli'ezer terms a policy of consistent curbing of hostile activity had its immediate effect in the area and it has been for months now, he notes that the hostile political activity has ceased almost completely. Furthermore, the wave of violence in the region has been stemmed and the region enjoys total calm. Later the Judaea and Samaria commander pays tribute to the achievements of the security services in preventing hostile terrorist activity. In the civilian sphere the regional commander notes the military government's achievements in developing agriculture and the individual's standards of living continued to rise as a result of the significant growth in the agricultural product. This year the military authorities laid emphasis on the handling of rural population and the infrastructure for the consolidation of moderate elements has been extended. During the year the building of major electricity lines in the region has been completed, land surveys have been conducted to determine ownership of the land, tax collection has been increased and about 1.15 million people crossed the Jordan bridges. [End recording]

BRIEFS

LABOR, CITIZENS RIGHTS MOVEMENT TIES—The Labor Party Bureau and Faction in the Knesset this afternoon agreed that the Citizens Rights Movement [CRM] join the labor-alignment. The decision was taken by a small majority of four votes after a stormy debate. Rabbi Manehem Hakohen said the religious workers' faction would demand the same conditions as Shulamit Aloni [of the CRM]. The Labor Party decided to propose Shlomo Hilel as its candidate for the post of Knesset speaker. [Text] [TA191827 Jerusalem Domestic Service in English 1800 GMT 19 Jul 81]

IDF HARASSMENT CHARGED—The joint government-zionist federation settlement committee yesterday approved the idea of putting up a settlement called Pesagot on Jabal at-Tawil near al-Birah north of Jerusalem. Some 60 families, mostly from the Bayyit Vagan neighborhood of Jerusalem, hope to start a civilian settlement which will eventually house 200 families. Several months ago plans were approved to set up a regional council on the mountain. Residents of the Jabal at-Tawil neighborhood in al-Birah have complained that the military government is trying to force them to do guard duty on the road to an Israeli outpost in the area to prevent youths from stoning Israeli vehicles. The residents say they have refused to sign such an obligation and the municipality has put out a statement claiming that citizens under occupation cannot be obligated to guard. Military government sources told the ITIM news agency that for several weeks youths have been stoning Israeli cars in the area daily, causing injury and damage. Therefore the government decided to force the residents to guard. [Text] [TA270705 Jerusalem Domestic Service in English 0500 GMT 27 Jul 81]

IMMIGRATION IN JUNE-Only 817 immigrants arrived here in June, compared with 1,700 in June 1980 and only 325 Israeli emigrants have returned during the first half of 1981. Immigration statistics for June provided by the Absorption Ministry reflect a continuing slump in immigration. The drop is partly due to the severe reduction in the number of emigrants from the Soviet Union and to the increasingly high iropout rate, over 80 percent, among Soviet Jews that do leave Russia. [Text] [TA291825 Jerusalem POST in English 29 Jul 81]

MUSLIMS ALLOTTED FUNDS—Nazareth—A 4 million shekel budget for improving religious, educational and social services in the Arab sector was approved yesterday by the Muslim Trust Committee, headed by the prime minister's adviser on Arab affairs, Binyamin Gur—arye. For the first time the committee, which is in charge of Muslim property in Israel, allocated funds for the renovation of the hilly site of Sidna 'Ali, near Nerzliyya, and for the construction of new mosques in Bedouin villages. The committee also allocated IS180,000 for scholarships and IS 900,000 for research on Islam and Muslims in Israel. The committee consists of the representatives of several government offices and four Muslim dignitaries.

[Text] [TA270949 Jerusalem POST in English 27 Jul 81 p 3]

HEBRON STUDENTS ARRESTED—The military government today arrested some 20 students from the technical college in Hebron who had invaded a building owned by the city's education office and had refused to evacuate it. Our correspondent, Arye Gus, reports that the Hebron municipality had leased a school building to the technical college in contradiction of the military government's orders. The military government evacuated the building on Monday. However, the students invaded it again. The military government today demanded that they evacuate the building and when the students refused, it detained about 20 of them for interrogation. Our correspondent notes that the technical college in Hebron is suffering a serious shortage of classrooms. Public figures and institutions in Hebron have protested against the move of the military government. [Text] [TA221637 Jerusalem Domestic Service in Hebrew 1600 GMT 22 Jul 81]

HEBRON HOSPITAL ESTABLISHMENT DISALLOWED—The military administration has not permitted the establishment of a private hospital in Hebron, to be financed by the joint PLO—Jordan Committee. A public body in Hebron wanted to set up the hospital and numerous physicians in the town signed a petition supporting its establishment. The military administration told our correspondent, Pinhas 'Inbari, that it has no objection to an additional hospital in Hebron, provided it will operate within the framework of the government health—care system. The military administration has also rejected a request by the largest building association in Judaea and Samaria to build a new township near 'Anabta in Samaria. The plan projected the building of some 360 housing units, a mosque, a school and a kindergarten. [Text] [TA190632 Jerusalem Domestic Service in Hebrew 0600 GMT 19 Jul 81]

AIRCRAFT INDUSTRIES BRANCH--The management of the aircraft industries this morning acceded to an appeal by the government and decided to establish a branch in Qiryat Shemona. Also this morning, the Ministry of Housing authorized the construction in Qiryat Shemona of shelters larger than the usual standard. This refers to public shelters and shelters for educational institutions and the aim is to permit those staying in them to receive more services than they can in simple shelters. For this purpose the minister of finance authorized another budgetary allowance.

[Text] [TA201232 Jerusalem Domestic Service in Hebrew 1200 GMT 20 Jul 81]

WEST BANK SETTLEMENT WORK--Ramallah, 23 Jul--The (stablishment of the Nili and the Mikhmash settlements in the Ramallah area will soon be completed. Gush Emunim's Mikhmash nucleus has already moved to its settlement site while the Nili nucleus is going to move to its settlement site soon. At the same time it was reported that a religious nucleus that was located for some years in the former Sanur Jordanian police station on the Nabulus-Janin Road moved to its permanent site nearby. The ITIM correspondent in Judaea and Samaria reports that extensive development works are currently underway on the Tulkarm-Nabulus Road for the establishment of the new settlement of Shave Shomron 8 (Siftan). The settlement will be populated by a religious communal nucleus of Gush Emunim. [Text] [TA230931 Tel Aviv ITIM in Hebrew 0915 GMT 23 Jul 81]

NEW INDUSTRIAL ZONES--The industry and defense ministries are setting up three new industrial zones in the Galilee as part of the plan to Judaize it. According to this plan the three zones will be filled with tens of industrial plants, especially in the metal and electronics fields, and will employ thousands of workers most of whom will live near the plants. The implementation of the program was assigned to

the Mivney Ta'asiya Company, a governmental company subordinate to the industry minister. [Excerpt] [Report by El'Azar Levin] [TA220957 Tel Aviv HA'ARETZ in Hebrew 22 Jul 81 pp 1, 2]

TERRORISTS DAMAGE NAHARIYYA INDUSTRY--The direct and indirect damage caused to Nahariyya industry by the shellings is so far estimated to be running into tens of thousands of millions shekels, and it may be running even higher in the long range, due to an inherent loss of markets here and abroad. One plant suffered a direct hit, incurring serious damage. Thus was the effect of recent incidents on the Nahariyya industry summed up yesterday by Michael Strauss, spokesman for the Nahariyya industrialists. Mr Strauss stressed that the Nahariyya industry--relatively to the town's population--is the largest exporter in Israel, with also the highest per capita productivity. The average decrease in productivity in the 22 Nahariyya plants employing together some 4,000 workers reached approximately 50 percent last week. [Excerpt] [TA231309 Tel Aviv HA'ARETZ in Hebrew 23 Jul 81 p 3]

WEST BANK SETTLEMENT APPROVED--The Committee for Settlement Affairs, which acts under the joint auspices of the government and the Zionist organization, approved today the setting up of a new urban settlement on Mt Tawil near the towns of Ramallah and al-Birah. Our correspondent, Avraham Ben-Melekh, reports that 2 months ago, approval was issued to set up on the mountain buildings of the Mate Binyamin Regional Council. About 60 families, most of them from the Jerusalem Bayit Vagan quarter, hope to settle on the site in the near future. They intend to build there a settlement with more than 200 families. [Text] [TA262039 Jerusalem Domestic: Service in Hebrew 2000 GMT 26 Jul 81]

SETTLEMENTS BUDGET FROZEN--Judaea and Samaria, 21 Jul--The freezing of governmental budgets following the Finance Ministry's instruction has for the time being also frozen the plans for expanding existing Judaea and Samaria settlements. The ITIM correspondent in Judaea and Samaria has learned that many families who wound up their businesses in their towns of residence and were going to settle in the region remained with no answer. This caused problems to these families who had been promised to settle in Judaea and Samaria shortly. The families expressed the hope that the special committee which deals with deviations [where budget can be released] approve the continued expansion of these settlements and will allocate the necessary funds for this need. It was reported from the Zionist organization's settlement department that there is no talk of establishing new settlements in Judaea and Samaria in the near future but only expanding existing settlements. [Text] [TA212113 Tel Aviv ITIM in Hebrew 2055 CMT 21 Jul 81]

DISCUSSIONS ON SPAIN JOINING EEC--Tomorrow France and Israel will conduct official talks on the results of the incorporation of Spain into the EEC. A delegation of senior officials from the Agriculture Ministry and the Industry, Commerce and Tourism Ministry-headed by the director of the Foreign Ministry's Economic Departmen Elyashiv Ben-Horin--will present to France Israel's arguments [against the move They state that the cooption of Spain into the EEC may seriously harm Israeli exports to Europe. Our Paris correspondent, Freddie Eytan, noted that this is the first time since 1970 that such a meeting will take place between Israeli and French officials. To date the government of France has refused to accept Israel's arguments. [Text] [TA211030 Jerusalem Domestic Service in Hebrew 1000 GMT 21 Jul 81]

FRENCH BIDDING FOR INFRASTRUCTURAL PROJECTS INCREASES

London 8 DAYS in English No 28, 18 Jul 81 p 41

[Article by Howard Schissel]

[Text]

FRANCE is hoping that its economic relations with Qatar will improve, after a poor year in 1980. French exports to Qatar dropped from French francs 68% (\$122m) in 1979, to Pfr400m (\$71m) last year, mainly because of the paucity of major new infrastructural schemes after the completion of the Qatar Petrochemical Company (QAPCO) complex at Umm Said.

The value of French purchases of Qatari crude increased during 1979-1980 from Ffr2.2bn (\$395m) to Ffr2.86bn (\$514m), leaving Qatar with a substantial trade balance surplus. France remains, after Japan, Qatar's largest oil customer. On the other hand, Qatar ranks tenth on the list of French oil suppliers, far behind the leader, Sandi Arabia, which now provides more than 56 per cent of Paris's oil requirements.

Franco-Qatari economic relations have centred on two joint-venture petrochemical companies. The state-controlled Charbonnages de France (CDF)-Chimie has a 16 per cent holding in QAPCO, while the Qatar General Petroleum Company (QGPC) has taken a 40 per cent equity participation in the \$300m ethylene plant at Dunkerque in northern France, operated by the Compagnie Pétrockimique du Nord (Copenor).

The French engineering firm Technip won the \$200m turnkey contract to build

the centrepiece of the Umm Said complex—an ethylene steam cracker. Satisfied with the French firm's performance, the Qataris recently signed a Ffro00m (\$107m) deal for the construction of a 50,000-barrels-a-day refinery at Umm Said. This was viewed as a major victory in French industrial circles, as Technip edged out two tough Japanese contenders, Japan Gasoline Corporation (JGC) and Chiyoda.

The eventual development of Qatar's Northwest Dome gas field is also a project which Technip would like to undertake. Moreover, the French firm is anxiously awaiting QAPCO's decision on a second polyethylene plant.

Altogether, French companies acquired new contracts totalling some Ffr800m (\$143m) in Qatar last year, though most of the deals were in the small-to-medium range. For example, Novotel is to build a new luxury hotel in Doha, Cogelex will supply electrical equipment, Enertec-Schlumberger is furnishing radio equipment, and Bermaho-Robert was tipped to build an indoor sports complex.

Qatar is a traditional customer of the French arms industry. At the end of 1979, it ordered six twin-engine Alpha jet trainer/tactical fighter aircraft, the first time these have been seen in the Arab world east of Suez. Last September. Qatar purchased three missile-equipped rapid patrol vessels

and a mobile coastal defence system worth Ffr1.5bn (\$269m). A few months later, Oatar signed a deal for 14 twin-engine Mirage F1 interceptors.

Along with Saudi Arabia, Iraq, Kuwait, Jordan and Morocco, Qatar may be interested in acquiring the new-generation Mirage 2000 fighters. The Qataris, however, will certainly take into consideration the attitude of President Mitterrand's government concerning Middle Eastern affairs.

This means that France will probably no longer benefit from political dividends in its economic dealings with Qatar, as well as other Middle Eastern states. Under Giscard d'Estaing, French corporations carried off some important contracts as a result of Paris's solidarity with the Arab world. Now

they will have to compete on the merits of price and quality alone. The going will be tougher, but we reckon that we have made, in recent years, enough inroads into the Gulf to keep our steam going, a French businessman.

Qatar will be an important testing ground for French companies in the coming year, as several are bidding for lucrative infrastructural projects. Alsthom-Atlantique hopes to furnish gas turbines for an electricity generating plant worth Qatari riyals 450m (\$123m), Cogelex is in line for a QR120m (\$32m) contract for electrical sub-stations and CIT-Alcatel hopes to clinch a new telephone line deal. The state utility, Electricité de France (EDF), hopes to win a contract to build a new power plant near Doha.

CSO: 4300/64

INVESTORS DISCOURAGED BY NORTH WEST DOME PROJECT

London 8 DAYS in English No 28, 19 Jul 81 pp 44, 45 [Article by Graham Benton]

[Text]

US OIL ANALYSTS predict tough negotiations ahead for the companies interested in developing Qatar's huge Northwest Dome offshore gas field. Even though the field's full extent is as yet unknown, it is already being described as one of the world's largest. Its total development, including onshore facilities for liquefaction and the purchase of a fleet of LNG tankers, has been costed at around \$20bn by some observers. This would put it in the same league as Saudi Arabia's huge onshore gas-gathering scheme.

However, foreign oil companies are not falling over themselves to take a slice of the project. Last month Sheikh Rashid al Thani, deputy managing director of Qatar General Petroleum Corporation (QGPC), announced that both Exxon and Mobil had dropped out of international competition for a 20 per cent partnership in the gas field's development.

While a Mobil spokesman said that he had 'no reason to challenge' the Qatari statement, Exxon officials told 8 Days that the company had not as yet actually submitted any proposals. Exxon was approached by the Qataris last August and, although it is technically still in the running, it is in no hurry to make a firm offer. Royal Dutch Shell, British Fetroleum, Compagnie Francaise des Petroles and the US-West German-Canadian Consortium, Wintershall, are among the other groups Qatar has sought to interest.

Why the lack of urgency? Spokesmen for the two US companies would not commit themselves, but independent American analysts point to the scheme's massive cost, the uncertainty over future gas price levels, and the considerable doubts about the likely US market for Qatari gas.

Ali Jaidah, QGPC's managing director, last year suggested that investment of at least \$4bn would be required to develop the Northwest Dome and build the pipelines and onshore liquefaction plant.

Understandably. Qatar has been one of the strongest advocates of a coordinated system of worldwide gas prices linked to oil's. In the case of Algeria, however, these attempts to boost what is seen as an undervalued gas price to a target figure of \$6 per thousand cubic feet (the notional equivalent in thermal value of the high \$40 it charges for a barrel of its light crude) have not been entirely successful. The best they have managed is around \$5 from Distrigaz of Belgium.

El Paso of Houston, Texas, suspended its gas contract with Algeria last year because of the pricing dispute. Although the Algerians have tried to get the US firm to reopen talks, El Paso officials are still not interested in the terms being offered.

This, naturally, bodes ill for Qatar's hopes of finding a market for high-priced gas exports in the US, where transport costs and falling imported energy needs already militate against contracts for Gulf gas.

Japan looks a far better prospect, as it is now willing to pay much higher prices.

While all this may tend to dampen the US oil companies' enthusiasm for Northwest Dome participation, it certainly does not rule them out. Wherever the gas might finally go, the Qataris are definitely interested in using American technology, both for field development and liquefaction plant construction — over which Bechtel, Fluor, Ralph M. Parsons and M. W. Kellogg, all US firms, have been approached.

Moreover, despite the scheme's gigantic size, the Qataris have little choice but to press ahead after years of indecision. Oil reserves are unlikely to last beyond 2010, and as oil output declines so will production

of associated gas.

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